

267

DECREE of the National Bank of Slovakia

of 23 June 2009

**concerning the reference value of a conservative pension fund
and the composition of the reference value of a balanced pension fund
and a growth pension fund**

The National Bank of Slovakia, pursuant to Article 91(5) and 91a(3)(4) of the Act No. 43/2004 Coll. on retirement pension saving and on amendments to certain laws, as amended by the Act No. 137/2009 Coll. (hereinafter referred to as "the Act") has enacted the following:

Article 1

(1) Performance of a conservative pension fund means the proportion of the arithmetical average of pension units' current values for the last calendar month of the monitored period to the arithmetical average of pension units' current values for the first calendar month of the monitored period, rounded up to two decimals. The value calculated as per the first sentence is then rounded in such a way that the calculated remainder is rounded down if less than 0.005 and up if more than or equal to 0.005.

(2) Reference value of a conservative pension fund means the proportion of the arithmetical average of pension units' current values for the last calendar month of the monitored period to the arithmetical average of pension units' current values for the first calendar month of the monitored period, which is equal to the value of one.

(3) Comparison of the performance of a conservative pension fund under paragraph (1) with the reference value of a conservative pension fund established in line with paragraph (2) is carried out on the first working day following the end of the monitored period.

Article 2

(1) The foundation for the reference value of a

balanced pension fund and for the reference value of a growth pension fund (hereinafter referred to as "reference value") is a group of financial instruments¹ whose composition corresponds with the composition of assets in that balanced pension fund and growth pension fund; when establishing the reference value, the proportional representation of the share, bond and money parts of the reference value is expressed in percent. Particular reference value components are selected using the procedure laid down in paragraph 2 for the share part of the reference value, in paragraph 3 for the bond part of the reference value, and in paragraph 4 for the money part of the reference value.

(2) The share component² of reference value is determined using a detailed specification of stock investments by

- a) issuers' countries of establishment,
- b) type of industry,
- c) financial indices³,
- d) currency in which stock investments are denominated, or
- e) other criteria.

(3) The bond part⁴ of reference value is determined using a detailed specification of bond investments by

- a) the type of issuer of debt securities by countries, local administration authorities, enterprises, banks and multilateral institutions,
- b) type of industry in the case of corporate bonds,
- c) debt securities issuers' rating,

¹ Article 81 of the Act No. 43/2004 Coll. on retirement pension saving and on the amendments to certain laws, as amended.

² Article 85(1) of the Act No. 43/2004 Coll. as amended.

³ Article 81(3)(a)(b) of the Act No. 43/2004 Coll. as amended.

⁴ Article 85(2) of the Act No. 43/2004 Coll. as amended.

- d) residual term to maturity,
- e) modified duration of bond investments,
- f) currency in which bond investments are denominated, or
- g) other criteria.

(4) The money part⁵ of reference value which, for the purposes of this Decree, includes bonds and other debt securities⁶ with one year maturity, is determined by a detailed specification of money investments according to

- a) the rating of the issuers of money market instruments or of branches of foreign banks in whose current and deposit accounts money is deposited,
- b) residual term to maturity,
- c) modified duration of money market instruments and money funds on current and deposit accounts, or
- d) other criteria.

(5) When establishing the share, bond and money part of reference value, proportional representation of the particular components as per paragraphs 2 to 4 is determined as a percentage.

Article 3

(1) Proportional representation of share, bond and money investments in a balanced pension fund and growth pension fund may deviate from the proportional representation of the share, bond and money part of reference value mentioned in Article 2(1) individually for each component within the range of 25 percentage points. Deviation under the first sentence may only be exceeded for reasons that are out of reasonable control of a pension fund management company, such as in the case of significant economic events on the financial market, but only until all necessary measures have been taken for the harmonization of the composition of assets in a balanced pension fund and growth pension fund with the statute of a balanced pension fund and growth pension fund respectively.

(2) Proportional representation of particular components of assets in a balanced pension fund and growth pension fund may deviate from the proportional representation of respective components in the share part of reference value mentioned in Article 2(2), in the bond part of reference value mentioned in Article 2(3) and in the money part of reference value mentioned in Article 2(4) individually for each component within the range of 25 percentage points. Deviation under the first sentence may only be exceeded for reasons that are out of reasonable control of a pension fund management company, such as in the case of significant economic events on the financial market, but only until all necessary measures have been taken for the harmonization of the composition of assets in a balanced pension fund and growth pension fund with the statute of a balanced pension fund and growth pension fund respectively.

(3) Comparison of the composition of assets in a balanced pension fund and growth pension fund with the composition of reference value under paragraphs (1) and (2) and Article 2 shall be carried out on the first working day following the end of the monitored period.

Article 4

For the purposes of this Decree, monitored period means the period of six subsequent calendar months. Each following monitored period begins on the first calendar day of the following calendar month. The first monitored period shall begin on 1 July 2009.

Article 5

This Decree shall enter into force on 1 July 2009.

Ivan Šramko, m.p.

⁵ Article 85(3) of the Act No. 43/2004 Coll. as amended.

⁶ Article 81(3)(c) of the Act No. 43/2004 Coll. as amended.