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DECREE
of the National Bank of Slovakia
of 13 May 2008

**on the submission of statements by entities providing for distribution
of securities of foreign collective investment undertakings
for supervision purposes**

In accordance with Article 35(2) of Act No. 747/2004 Coll. on financial market supervision and on amendment and supplementation of certain laws, the National Bank of Slovakia stipulates as follows:

Article 1

(1) This Decree is applicable to entities providing for distribution of securities of foreign collective investment undertakings¹ on the basis of a public offering to investors² in the territory of the Slovak Republic, namely:

- a) a branch of a foreign management company and a branch of a foreign investment company through which the public offering is made in the territory of the Slovak Republic³;
- b) an individual providing for distribution of securities on a contractual basis⁴;
- c) a bank, securities dealer, management company, branch of a foreign bank, branch of a foreign securities dealer, branch of a foreign management company, and branch of a foreign investment company⁵, or other individual authorized to distribute securities in the territory of the Slovak Republic, if it is a distribution agreement concerning securities of the European fund⁶;
- d) a branch of a foreign management company under the single European passport⁷.

(2) For purposes of this Decree,

- a) sub-fund shall mean an independent and, in terms of accounting, separated part of assets and liabilities within a foreign mutual fund⁸ or a foreign investment company with an independent investment strategy formed under law of the country in which the foreign management company managing the given foreign mutual fund or the foreign investment company resides;
- b) distributor shall mean an entity under paragraph 1 engaged in distribution of securities of foreign collective investment undertakings in the territory of the Slovak Republic;
- c) distribution of securities shall mean an activity carried on by the distributor for the purposes of ensuring the public offering of securities of foreign collective investment undertakings in the territory of the Slovak Republic.

¹ Article 4(5) of Act No. 594/2003 Coll. on collective investment and on amendment and supplementation of certain laws, as amended by Act No. 213/2006 Coll.

² Article 5(c) of Act No. 594/2003 Coll.

³ Article 75 of Act No. 594/2003 Coll.

⁴ Article 78(5) of Act No. 594/2003 Coll.

⁵ Article 29 and 61 of Act No. 594/2003 Coll., as amended

⁶ Article 4(8) of Act No. 594/2003 Coll., as amended by Act No. 213/2006 Coll.

⁷ Article 28 of Act No. 594/2003 Coll., as amended

⁸ Article 4(6) of Act No. 594/2003 Coll., as amended by Act No. 213/2006 Coll.

Article 2

The statement submitted by the distributor is Kzf (NBS) 98-12 Statement of net sales and performance of the foreign mutual fund or sub-fund whose securities are publicly offered and distributed to investors in the territory of the Slovak Republic. The statement template, including the methodology for its compilation, is provided in the Annex hereto.

Article 3

(1) The statement referred to in Article 2 shall be compiled and submitted individually for all foreign mutual funds and sub-funds, with respect to which the distribution of securities is ensured.

(2) The statement referred to in Article 2 shall be compiled on a monthly basis, using the data known as at the last day of the respective calendar month, and it shall be submitted within ten working days of the next calendar month.

Article 4

(1) The statement referred to in Article 2 shall be submitted and sent by distributors under Article 1(1)(a) through (c) electronically in the information system of the National Bank of Slovakia STATUS DFT – Collection, Processing and Storing of Statistics of Entities of the Slovak Financial Market.

(2) The statement referred to in Article 2 shall be submitted and sent to the National Bank of Slovakia by distributors under Article 1(1)(d) electronically.

Article 5

The statements for the period until 1 June 2008 submitted to the National Bank of Slovakia after 1 June 2008 shall be compiled in accordance with legal regulations effective through 1 June 2008.

Article 6

The Decree of the National Bank of Slovakia No. 3/2007 of 23 January 2007 on the submission of statements by entities providing for distribution of securities issued by foreign management companies and foreign investment companies on the basis of a public offering to investors in the territory of the Slovak Republic for statistical purposes (Notice No. 61/2007 Coll.), is hereby repealed.

Article 7

This Decree shall become effective as at 1 June 2008.

Ivan Sramko m.p.
governor

Issued by: Regulatory and Risk Management Methodology Department
Collective Investment Regulatory Section

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TEMPLATE

Statement of net sales and performance of the foreign mutual fund or sub-fund whose securities are publicly offered and distributed to investors in the territory of the Slovak Republic

Business name of the entity

CR No.

First name and last name of the officer responsible for compilation of the statement Telephone No. E-mail

Balance as at

Sent on

Line No.	KZF	Name of foreign mutual fund/sub-fund	Category of foreign mutual fund/sub-fund	Denominated currency of foreign mutual fund/sub-fund	Total net asset value (NAV) of foreign mutual fund/sub-fund in SKK 000's	Net asset value (NAV) of foreign mutual fund/sub-fund relating to sales to investors in SR in SKK 000's	Net asset value (NAV) of foreign mutual fund/sub-fund relating to 1 unit/security in SKK	Number of units/securities relating to investors in the territory of SR in pcs
a	b	c	d	E	1	2	3	4
1								
	TOTAL							

Business name of the entity

CR No.

First name and last name of the officer responsible for compilation of the statement Telephone No. E-mail

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Balance as at

Sent on

[illegible]

Methodology for Compilation of the Report Kzf (NBS) 98-12

1. *Business name of the entity* shall mean the business name of the entity engaged in distribution of securities of a foreign mutual fund or sub-fund that offers publicly and distributes the same to investors in the territory of the Slovak Republic.
2. *Balance as at* shall mean the balance as at the date as at which the statement is compiled.
3. All dates shall be in d.m.yyyy format.
4. The column b on page 1/2 shall state the code of the foreign mutual fund or sub-fund according to the internal code book of the reporting entity.
5. In the column d on page 1/2, the foreign mutual funds or sub-funds shall be broken down by the market risk criterion according to the Methodology for Classification of Mutual Funds prepared by the Slovak Association of Management Companies as follows:
 - a) money market fund,
 - b) bond fund,
 - c) equity fund,
 - d) mixed fund,
 - e) fund of funds,
 - f) special fund,
 - g) other funds.
6. The column e on page 1/2 shall state the denominated currency in which the assets of the foreign mutual fund or sub-fund are kept in accounting books, using the code of the “Currency” code book, with a check against the “Currency” code book in the information system STATUS DFT.
7. The column 1 on page 1/2 shall state the total net asset value (NAV) of the foreign mutual fund or sub-fund, translated in the Slovak currency at the exchange rate of the National Bank of Slovakia valid as at the date as at which the statement is compiled.
8. The column 2 on page 1/2 shall state the net asset value (NAV) of the foreign mutual fund or sub-fund relating to the sales to investors in the territory of the Slovak Republic, translated in the Slovak currency at the exchange rate of the National Bank of Slovakia valid as at the date as at which the statement is compiled.
9. The column 3 on page 1/2 shall state the net asset value (NAV) of the foreign mutual fund or sub-fund relating to one unit or security, translated in the Slovak currency at the exchange rate of the National Bank of Slovakia valid as at the date as at which the statement is compiled.
10. The column 4 on page 1/2 shall state the number of units or securities (the difference between the number of the issued and the number of the redeemed units or securities) relating to investors in the territory of the Slovak Republic as at the date as at which the statement is compiled.
11. The columns 5 through 8 on page 2/2 shall state the total sums of net sales of securities of the foreign mutual fund or sub-fund, distributed on the basis of a public offering to investors in the territory of the Slovak Republic (the difference between the issued and the redeemed units

or securities), translated in the Slovak currency at the exchange rate of the National Bank of Slovakia valid as at the date on which the statement is compiled for different periods.

12. The column 9 on page 2/2 shall state the total sum of net sales of the foreign mutual fund or sub-fund, carried out on the basis of a public offering, to investors in the territory of the Slovak Republic from the start of the distribution of the securities in the territory of the Slovak Republic (the difference between the issued and the redeemed units or securities), translated in the Slovak currency at the exchange rate of the National Bank of Slovakia valid as at the date as at which the statement is compiled.
13. The columns 10 through 13 on page 2/2 shall state the performance of the foreign mutual fund or sub-fund calculated using the following formula:

$$R = \prod_{i=0}^N \frac{K_{i+1}}{K_i - D_i} - 1,$$

where

- R is the performance of the foreign mutual fund or sub-fund for the period under review
- K_i is the net asset value in SKK relating to one unit (the fund rate) as at the last day of the claim for dividend, taken before any deduction of the dividend, while K_0 is the rate at the beginning and K_{n+1} is the rate at the end of the period under review
- D_i is the amount of i^{th} dividend relating to one unit
- N is the number of dividends at the given period of time, while $D_0 = 0$
- i is the sequence number (index) of the dividend.

14. The column 14 on page 2/2 shall state the performance of the foreign mutual fund or sub-fund, annualized using the following formula:

$$R_{p.a.} = (R + 1)^{1/3} - 1,$$

where

- $R_{p.a.}$ is the final annualized performance of the foreign mutual fund or sub-fund; it is to be stated only for the period exceeding one year
- R is the performance of the foreign mutual fund or sub-fund for the period under review, calculated using the formula referred to in paragraph 13

15. If the period is longer than the period of the existence of the foreign mutual fund or sub-fund, the performance for that period shall not be stated.
16. All performances shall be given in percentage ($R \times 100$), computed to four decimal points.
17. Abbreviations used:
 - Line No.- line number
 - KZF - code of the foreign mutual fund or sub-fund
 - CR No. - company registration number
 - NAV - net asset value
 - SKK - Slovak koruna
 - 000's - thousand
 - SR - Slovak Republic
 - pcs - pieces

