

CHAPTER I

Scope

Article 1

This Regulation applies to the activities of undertakings for collective investment in transferable securities (UCITS), investment funds, management companies and depositaries in accordance with Act No. 30/2003 on undertakings for collective investment in transferable securities (UCITS) and investment funds.

CHAPTER II

Outsourcing the tasks of a management company

Article 2

The Financial Supervisory Authority shall only approve outsourcing of the functions of a management company pursuant to Article 18 of Act No. 30/2003 provided that

1. the outsourcing does not, as assessed by the Financial Supervisory Authority, prevent supervision of the management company or prevent a UCITS or an investment fund from being operated with the interests of the holders

of units or shares in mind;

2. the operator who manages the investments of a UCITS or investment fund in accordance with an investment policy pursuant to Article 17 of Act No. 30/2003 is a financial undertaking authorised to engage in portfolio management or an equivalent undertaking established in the European Economic Area;

3. it is ensured that a financial undertaking which is established outside the European Economic Area and manages the investments of a UCITS or an investment fund is, in the estimation of the Financial Supervisory Authority, subject to equivalent supervision as UCITS and investment funds, and cooperation between the Financial Supervisory Authority and the competent authorities of the home state of the fund is adequately ensured;

4. measures have been taken that enable the management company to efficiently supervise the operations of the operator at any time;

5. the management company can at any time provide further instructions to the operator and immediately

terminate an outsourcing agreement with the operator, if this serves the interests of the holders of units or shares in the fund;

6. the operator to whom functions are to be outsourced is qualified to carry out such functions.

CHAPTER III

Redemption

Article 3

Definitions

For the purposes of this Chapter the following meanings shall apply:

1. The bid price of units or shares: the redemption price of units or shares;
2. The offer price of units or shares: the selling price of units or shares;
3. The redemption price of units or shares: the market value of the total assets of a UCITS or an investment fund, net of any liabilities, at the time of redemption pursuant to paragraph 1 of Article 28 of Act No. 30/2003;
4. Market value: the listed or estimated value of financial

instruments in the market at any given time.

Article 4

Asset valuation

The valuation of the assets of a UCITS, investment fund or fund compartment must always reflect their actual value, taking account of market conditions.

Financial instruments owned by a UCITS, investment fund or fund compartment and listed in a regulated securities market shall be valued at their closing prices in that market.

The value of financial instruments owned by a UCITS, investment fund or fund compartment other than those referred to in paragraph 2 shall be subject to the assessment of a management company, under the supervision of a depositary and an auditor, taking account of market conditions at any given time.

The management company shall maintain a record of the valuation of assets pursuant to paragraph 3 at any given time, with an explanation of the premises on which the valuation was made.

Article 5

Loss provisions

Provisions for losses shall be made for each UCITS, investment fund or individual fund compartment regarding the financial instruments referred to in paragraph 3 of Article 4 so that the prices of units or shares reflect as accurately as possible the value of the assets of the relevant fund or compartment at any given time.

Article 6

Information on prices

The bid price, redemption price and offer price of units or shares in a UCITS, investment fund or fund compartment shall be calculated on a daily basis.

Information on the bid price, redemption price and offer price of units or shares in a UCITS, investment fund or fund compartment shall be available at all times, as well as information on the administrative and management costs of the relevant fund or fund compartment, for the holders of units or shares.

CHAPTER IV

Authorised investments