

Pursuant to Article 50, paragraph 7 of the Law on Voluntary Pension Funds and Pension Schemes ("RS Official Gazette", no. 85/2005), Governor of the National Bank of Serbia hereby issues the following

**D E C I S I O N**  
**ON THE ADVERTISING OF VOLUNTARY PENSION FUNDS AND**  
**STANDARDIZED ADVERTISEMENT TEXT**

1. This Decision shall govern in more detail the advertising of voluntary pension funds (hereinafter: fund) performed by the fund management company, as well as the standardized text of advertisement, or public invitation for the conclusion of contract of membership in the fund (hereinafter: advertisement text).

2. For the purposes hereof, advertising shall be the notification, and/or publication of advertisement or public invitation via advertising media, whereby the advertiser and its activity, product, service or any other merit shall be recommended – with a view to inducing the receiver, targeted by the advertisement or invitation, to accept them, namely to use them.

3. The fund management company shall use the advertisement text that has been approved by the National Bank of Serbia, and which is clear, easy to understand and comprised of relevant, unambiguous and full information on the fund and fund management company concerned. The advertisement text must be written in the Serbian language, and in the event that it has also been written in a foreign language – this text has to be identical to the text in the Serbian language.

The advertisement text must not contain any incorrect information, namely information that may create a misleading or false impression about the fund, about the fund management company or pension system in general; information describing other funds and fund management companies in negative terms; information that cannot be objectively verified, and information on the future returns from investment in the fund.

Advertisement text shall not contain a value judgment on the fund managed by another fund management company, or any phrases connotating exaggeration (superlatives), unless the statement can be proved.

If the advertisement text contains statistical data, data arrived at by research or data from documentation, the source of such data and the period to which they refer shall be clearly stated. Such data may be used only if they can be objectively verified and if they are relevant.

4. In its advertisements, the fund management company may publish data on the fund's returns that have been calculated in line with regulations, provided that it publishes data on the number of fund members, assets constituting the fund and fees charged to fund members.

5. Information on the fund's returns shall be disclosed for each of the last five years on a quarterly basis (from quarter/year – quarter and year marking the commencement of the period of return calculation, until quarter/year marking the end of the period of return calculation), in a standardized table given below:

Name of the fund	From Q/year until Q/year %	From Q/year until Q/year %	From Q/year until Q/year %	From Q/year until Q/year %	From Q/year until Q/year %

If the fund exists less than five years, sign "-" shall be placed in the fields for missing years.

The fund management company may also show data on the fund's returns in the form of chart on cumulative (total) return for a specific period, taking into account that the shortest period is considered to be a period of the last five years, and the longest – a period of the last ten years.

The advertisement text must contain the following: *"Previously generated returns are not a guarantee of future results. Future returns may be higher or lower than the previous ones."*

If the advertisement text features data on the return of another fund, and/or comparison with the returns of another fund, only the data comparing the level of riskiness of the investments of the assets of such funds may be given.

6. When advertising the level of the fees charged to fund members, their influence on the returns generated through the investment of the fund's assets, and the costs borne by fund members shall be disclosed in a conspicuous manner.

With respect to advertising referred to in paragraph 1 hereof, the following shall be stated:

- fee charged on payment of pension contributions,
- fee for fund management,
- fee for the transfer of the fund member's account.

7 If in the advertisement text, the potential amounts of the fund are calculated on the basis of parameters such as the amount of contribution, number of years of accumulation, or returns – the following rules shall also apply:

- 1) solely the potential amounts accumulated in the individual account and the corresponding results are disclosed;
- 2) the calculations are performed on the basis of parameters specified by the receivers of the advertising message;
- 3) the fees and costs borne by the fund members are taken into account and clearly stated.

8. With regard to advertising on its website, the fund management company shall act in the manner and under conditions prescribed by this Decision.

The fund management company's website shall contain:

- 1) the company's business name and head office, telephone numbers and contact e-mail address;
- 2) the company's registration number, as well as the numbers of decisions on the issue of operating and fund management licenses;
- 3) brief biographical data on the director, and/or members of the company's management and supervisory boards and portfolio managers;
- 4) information on the company's shareholders holding a 10% or more stake in the capital or votes – their names and stakes;
- 5) addresses and telephone numbers of the company's organizational units in the country;
- 6) names of all the funds managed by the company, as well as numbers and dates of issue of the decisions on granting license for the management of such funds;
- 7) business name and head office of the custody bank and broker-dealer company with which the fund management company has concluded a contract on securities trade;
- 8) names and addresses of the company's intermediaries, if the company has intermediaries;
- 9) rules of the company's organization and operations, and notification of their changes;
- 10) brief report on the company's investment policy and portfolio structure;
- 11) value of investment unit for each day, as well as the name of a daily newspaper distributed in the whole territory of the Republic of Serbia where the value of investment unit is published;
- 12) all fees charged by the company to the fund members;

13) names of bodies, procedures and deadlines for rendering decisions in respect of complaints about the operations of the company and the fund it manages, as well as documents and other data that the company is, pursuant to the law, obligated to publish (date of publication and name of daily newspaper where they are published);

15) the look of identification documents used by the company's intermediaries in contact with the fund members and future clients;

16) link for the Voluntary Pension Fund Register, maintained by the National Bank of Serbia.

9. The basic data on the fund management company, on the level of fees charged to the fund members and fund's returns for each of the five previous years, and/or for the number of years that the company exists, as well as other relevant information, must be displayed in a clear and conspicuous manner on the fund management company's premises or on the premises of its intermediary intended for contact with fund members.

10. The fund management company shall submit to the National Bank of Serbia application for the issue of approval of advertisement text (advertisement and public invitation), along with a copy of the advertisement, and/or public invitation.

In the process of rendering a decision in respect of the application referred to in paragraph 1 hereof, the National Bank of Serbia may require from the fund management company the submission of other information and data.

11. This Decision shall enter into force on the eighth day following its publication in the "RS Official Gazette", and shall be applied as of 1 April 2006.

D. no. 18  
10 March 2006  
B e l g r a d e

G o v e r n o r  
National Bank of Serbia

Radovan Jelašić, sign.