

Pursuant to Article 48, paragraph 7 of the Law on Voluntary Pension Funds and Pension Schemes ("RS Official Gazette", no. 85/2005), the Governor of the National Bank of Serbia hereby issues the following

D E C I S I O N
ON THE MANNER OF CALCULATING THE RETURN OF A VOLUNTARY PENSION FUND

1. This decision prescribes the manner of calculating the return of a voluntary pension fund (hereinafter: fund), including the principles of value rounding.

2. Fund's return shall be expressed as fund's rate of return.

3. Fund's rate of return for the past twelve months shall be calculated according to the following formula:

$$R_a = \left(\frac{A}{B} \right) - 1, \text{ where}$$

R_a – fund's rate of return for the past twelve months,

A – value of the investment unit of the fund's assets (hereinafter: investment unit) on the last day of the period of twelve months for which fund's return is calculated,

B – value of the investment unit on the first day of the period of twelve months for which fund's return is calculated.

4. Fund's rate of return for the period of five years shall be calculated according to the following formula:

$$R_5 = \left(\frac{A}{C} \right)^{1/5} - 1, \text{ where}$$

R_5 – fund's rate of return for the period of five years,

A – value of the investment unit on the last day of the period of five years for which fund's return is calculated,

C – value of the investment unit on the first day of the period of five years for which fund's return is calculated.

5. Fund's rate of return since the beginning of its operations shall be calculated according to the following formula:

$$R_n = \left(\frac{A}{D} \right)^{1/n} - 1, \text{ where}$$

R_n – fund's rate of return since the beginning of its operations,
A – value of the investment unit on the last day of the period for which fund's return is calculated,
D – initial value of the investment unit,
n – quotient of the number of days for which fund's rate of return is calculated and the number 365,25 (as the number of days in a year).

6. Fund's rate of return shall be expressed as a percentage, rounded to five decimal places, except in fund's advertising and on its Internet pages – when it shall be rounded to two decimal places.

7. The fund management company shall be required to calculate fund's rate of return separately for each fund it manages.

8. The fund management company that manages several funds cannot publish the average return of such funds.

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

Dec. no. 32
March 24, 2006
Belgrade

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

Radovan Jelašić, sign.