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01/09/2012

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Additional Information

Level 1 Regulation
Undertakings for Collective Investment in Transferable Securities Directive (UCITS) Directive 2009/65/EC

Topic
Share classes

Subject Matter
Treatment of UCITS with share or unit classes

Question
Should individual KIIDs be prepared for each class of units or shares within a UCITS?

ESMA Answer

01-09-2012

Original language

[ESMA 34-43-392 UCITS Q&A, section 2, Q&A 3]

In accordance with Article 26 of Commission Regulation (EU) No 583/2010 a separate KIID shall be produced for each individual share class. However, information relevant to two or more share classes may be combined into a single KIID provided the resulting KIID complies in full with all KIID requirements (including the limit on length). Also, a UCITS may select a class to represent one or more other classes of the UCITS provided the information in the KIID is fair, clear and not misleading to prospective investors in those other classes. Where charging structures differ between classes, the share class with the highest overall charge is the most appropriate representative share class to avoid the risk of understating charges. However, it is the responsibility of the UCITS to select the most appropriate representative share class having regard to the characteristics of the UCITS, the natures of the differences between share classes in the UCITS and the range of choices on offer to each investor.