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Additional Information

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

Topic
Disclosures

Subject Matter
Past performance - KIID

Question
Article 19(4) of Commission Regulation (EU) No 583/2010 states that “In the case of mergers referred to in Article 2(1)(p)(i) and (iii) of Directive 2009/65/EC, only the past performance of the receiving UCITS shall be maintained in the key investor information document.” Article 19(4) applies in cases where a receiving UCITS has a performance history. How should

Article 19(4) be interpreted in cases where the receiving UCITS is a newly established UCITS with no performance history and is in effect a continuation of the merging UCITS?

ESMA Answer

01-03-2019

Original language

[ESMA 34-43-392 UCITS Q&A, section 2, Q&A 4g]

In the case of a merger where the receiving UCITS is a newly established UCITS with no performance history, UCITS should use the past performance of the merging UCITS in the KIID of the receiving UCITS if the competent authority of the receiving UCITS reasonably assesses that the merger does not impact the UCITS' performance. ESMA expects the performance of the UCITS to be impacted if there is, inter alia, a change to the investment policy or to the entities involved in the investment management. It should also be made clear in the KIID of the receiving UCITS that the performance is that of the merging UCITS.