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## Letter to investors in the KD Delniški dohodkovni Mutual Fund (KD Equity Income Mutual Fund)

Ljubljana, \_\_\_\_\_

Dear Investor,

This is to inform you that with the transformation of the investment company **KD ID**, delniška investicijska družba, d. d. (**KD ID**, Equity Investment Company, plc, share designation KDIR), of which you are a shareholder, you have become an investor in the **KD Delniški dohodkovni Mutual Fund** (KD Equity Income Mutual Fund), an investment coupon for which is hereby attached.

The Mutual Fund will invest in growing global companies that are leaders in their respective sectors and, in addition to enabling capital gains, also pay out a substantial profit in the form of dividends. For the Mutual Fund and for investors, investments of this type in principle represent a smaller risk as share prices of issuers with stable and growing dividends in the global markets are subject to less fluctuation. We will choose new investments depending on the volume, sustainability and growth rate of the dividends payable by the issuers of the shares invested in. In the future, we will continue to gradually replace Slovenian investments with global equity investments characterised by stable dividend growth.

The Mutual Fund brings investors a new investment objective as it seeks to make returns mostly on dividends and actively searches for equity market investments that pay dividend income. As no other investment fund in Slovenia pursues this type of investment policy, we are confident that the KD Delniški dohodkovni Mutual Fund will be a welcome addition for our existing as well as prospective investors.

The Mutual Fund's performance is published every day in the daily press, in the mutual fund price list sections. You can also look it up on the website **www.kd-skladi.si**.

Should you wish to place additional investments in the Mutual Fund or redeem your units, we invite you to call on us or our partners. Detailed information is available in the Prospectus Including the Management Rules of the KD Delniški dohodkovni Mutual Fund (in Slovenian), which is published on our website along with other documents and clarifications. For any additional information, please call **080 80 24** or send an e-mail to **navet@kd-skladi.si**.

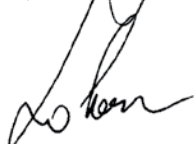
Finally, we wish to thank you for putting your trust in us and assure you that we will continue to meet your financial objectives in the future.

Yours faithfully,

Matej Tomažin  
Member of the Management Board



Aleš Lokar  
Senior Portfolio Manager  
- Head of Portfolio Management



Roman Androjna  
President of the Management Board



Andraž Grahek  
Director of Asset Management



The KD Delniški dohodkovni Mutual Fund (KD Equity Income) is managed by KD Skladi, družba za upravljanje, d. o. o. (KD Funds – Management Company LLC), Celovška cesta 206, Ljubljana. You can find more details and information about the Mutual Fund in the Prospectus Including the Management Rules and the Simplified Prospectus. The investor is entitled at any time to request the Simplified Prospectus, the Prospectus Including the Management Rules and the most recently published annual and semi-annual reports free of charge. These documents are available free of charge at all Management Company subscription offices, and in e-format on the website [www.kd-skladi.si](http://www.kd-skladi.si), along with a list of subscription offices.

The KD Delniški dohodkovni Mutual Fund (KD Equity Income) emerged from the transformation of KD ID, delniška investicijska družba, d. d. (KD ID, Equity Investment Company, plc) into a mutual fund. Details of the investment company and its business operations before the transformation into a mutual fund are available on the Management Company's website. The fund is classified as a higher risk investment (on a risk scale from 1 to 10, the risk associated with the Mutual Fund is estimated at 7–8). In the first two years following the transformation from an investment company into a mutual fund, the Management Company must charge all investment coupon holders who at the moment of the transformation were shareholders of the Investment Company a redemption fee should they wish to redeem their holdings; in the first and the second year following the transformation the redemption fee amounts to 12% and 8% of the investment coupon value, respectively.

## KD Delniški dohodkovni Mutual Fund (KD Equity Income Mutual Fund)

### Certificate on the holding of Mutual Fund units (the investment coupon) and Statement of the balance of units in the Mutual Fund investment coupon

The company KD Skladi, d. o. o. (KD Funds LLC) keeps an investment account for each investment coupon holder within the framework of the Record of Holders of Mutual Fund Investment Coupons. Mutual fund investment coupons are non-transferrable registered securities.

As at \_\_\_\_\_ 2011, i.e. the day of issuing investment coupons of the KD Delniški dohodkovni Mutual Fund, which transformed from the investment company KD ID, delniška investicijska družba, d. d. (KD ID, Equity Investment Company, plc, share designation KDIR), the following (opening) data were transferred to your investment account from the investment coupon issued to you as a replacement for the respective number of shares of the transformed investment company KD ID, delniška investicijska družba, d. d., held by you:

### Certificate on the issuance and safekeeping of an investment coupon

Serial number of investment coupon: \_\_\_\_\_. Number of subscription declaration based on which transactions and balances in the investment account will be kept: \_\_\_\_\_

Number of units referred to by the investment coupon: \_\_\_\_\_


Unit value, in EUR, on \_\_\_\_\_ 2011: \_\_\_\_\_

Investment coupon value, in EUR, on \_\_\_\_\_ 2011: \_\_\_\_\_

On each subsequent payment into or redemption from the Mutual Fund the investment coupon holder will receive a certificate (statement) thereof, which will also be deemed a new certificate on the safekeeping of an investment coupon.

Date and place of issuance: LJUBLJANA, \_\_\_\_\_ 2011

KD Skladi d. o. o.

 In accordance with the legislation, we must collect certain investor details. Please check your details in the questionnaire below, complete the missing fields and return the form using the envelope attached. We will only be able to execute a requested payment when you have submitted all the requested details required by the law to us.

#### HOLDER DETAILS

Name and surname \_\_\_\_\_

Tax no. \_\_\_\_\_

Date of birth \_\_\_\_\_

Place of birth \_\_\_\_\_

Street name and number \_\_\_\_\_

Postcode \_\_\_\_\_

Town/City \_\_\_\_\_

Country \_\_\_\_\_

Residence  resident of Slovenia  EU resident  non-resident of Slovenia or the EU

Date \_\_\_\_\_

Type of personal identity document \_\_\_\_\_

No. of personal identity document \_\_\_\_\_

Date of expiry \_\_\_\_\_

Issued by \_\_\_\_\_

Telephone \_\_\_\_\_

E-mail \_\_\_\_\_

Reason for investment  saving  other \_\_\_\_\_

Activity  employed  unemployed  retired  student

Signature \_\_\_\_\_

## The rights of investment coupon holders and the obligations of the Management Company

The Management Board of the Management Company informs the holders of Mutual Fund investment coupons about the following rights arising from holding the investment coupons and of the Management Company's obligations towards investment coupon holders.

Investment coupons give their holders the right to:

- request the Management Company to redeem mutual fund units in respect of which an investment coupon is issued;
- be paid a proportionate part of the liquidation estate in case the mutual fund is wound-up;
- ask the Management Company and all persons to which the Management Company has delegated the services of investment coupon marketing and sales or who, by authorisation of the Management Company, accept subscription declarations concerning acceptance of the Mutual Fund management rules, to provide them with a free copy of the Simplified Prospectus and the Prospectus Including the Management Rules of the Mutual Funds as well as the audited annual and semi-annual reports of the Mutual Fund.

KD Skladi, d. o. o., will pay an investment coupon holder who submits a redemption request within the time limit and the manner set out in the Prospectus Including the Management Rules of the Mutual Fund, by a transfer to his/her current account (as stated by the holder in the subscription declaration), the value of the requested number of units or the requested monetary amount. Payment will be made no later than the fifth working day following the end of the valuation day on which the investment coupon redemption value is calculated.

KD Skladi, d. o. o.

Matej Tomažin  
Member of the Management Board



Roman Androjna  
President of the Management Board

