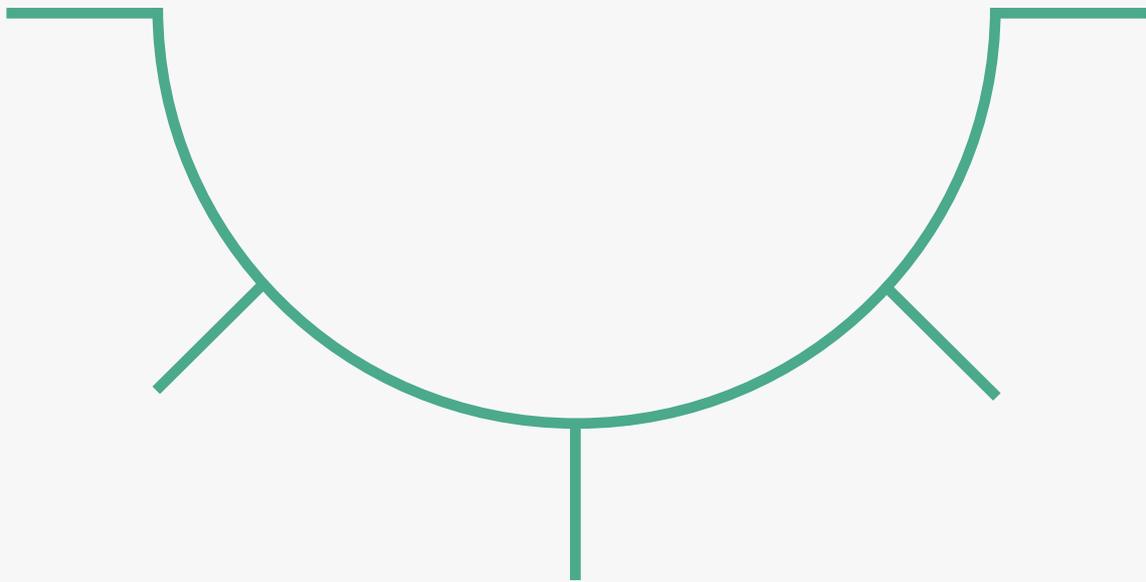




association of the
luxembourg fund industry



LUXEMBOURG INVESTMENT VEHICLES

**An overview of the legal and
regulatory requirements**

Updated in August 2018

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ALFI thanks KPMG in Luxembourg, which produced the content of this brochure, for its authorisation to reprint. KPMG in Luxembourg is a member of ALFI.



Executive summary

Foreword

In this 2018 edition of the Luxembourg Investment Vehicles publication we are pleased to provide you with a general overview of the main fund vehicles that can be established in Luxembourg across all asset classes and investment strategies.

This overview can assist you in better understanding the set-up and operating requirements of the available structures.

It focuses on the following aspects:

- Legal and regulatory requirements
- Shareholding
- Reporting requirements
- Approval and supervision
- Taxation

The Luxembourg fund industry today

Luxembourg has continued to develop its strong reputation as a centre of excellence for a large variety of investment funds. The legal and regulatory framework is constantly being

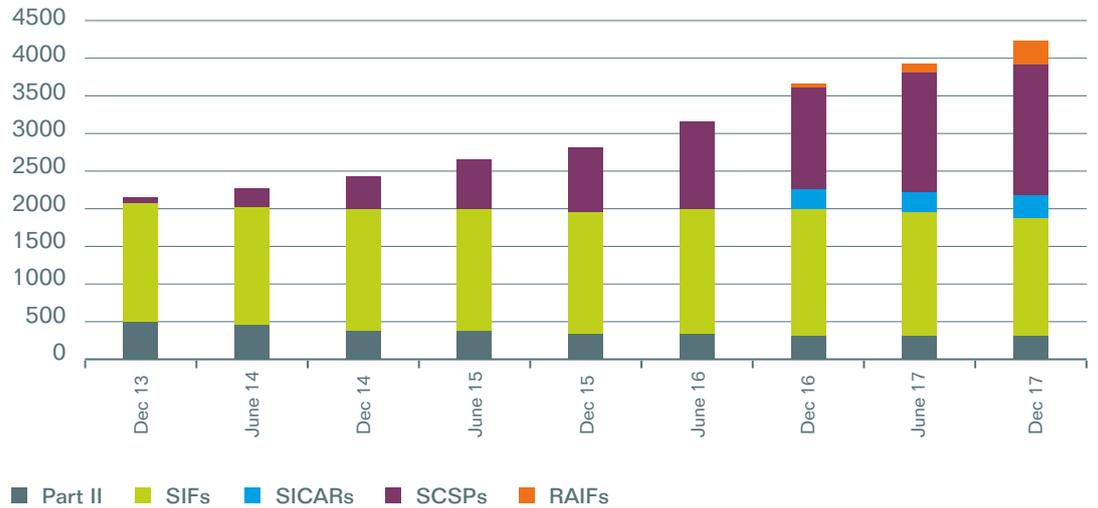
improved to offer the best tools for investment managers to structure their investments and to protect investors' interests.

Alternative Investment Funds and Managers

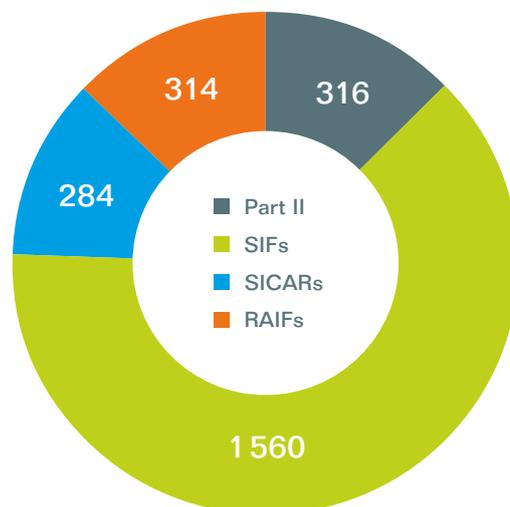
By being among the first to transpose the AIFMD into local law, Luxembourg has consolidated its leading position for structuring alternative investment funds, being home to 242 authorised alternative investment fund managers (AIFMs) and 605 registered (sub-threshold) managers. Many of the large UCITS managers also hold an AIFM license, building on existing expertise and operations to manage both AIFs and UCITS funds.

The Luxembourg government has continued its strong commitment to the funds industry, making an important upgrade to the range of fund structures in 2016 with the creation of the Reserved Alternative Investment Fund (RAIF). This vehicle meets the demands of many AIFMs and professional investors who had been calling for the removal of the dual regulatory approach whereby both manager and fund are subject to regulation and supervision.

Number of AIFs, December 2013 to December 2017



Numbers of supervised AIFs as at February 2018

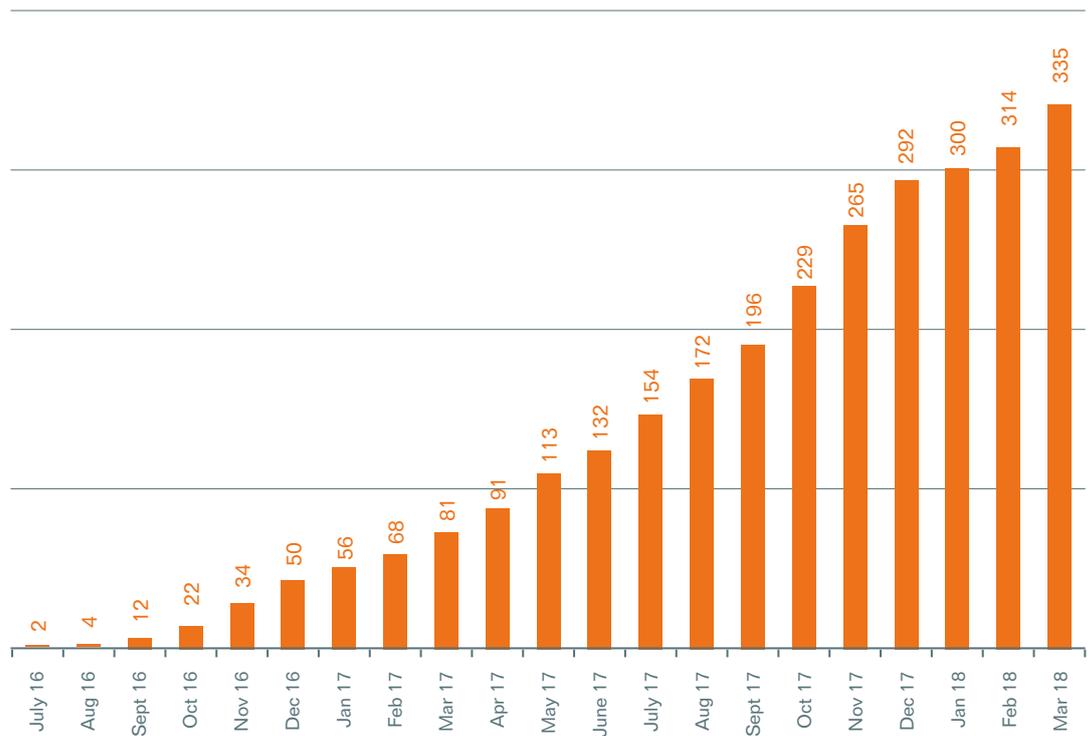


The RAIF is similar to the popular SIF and SICAR structures, but differs in its removal of this double layer of regulation. As a result, its overall time to market is very fast. Only authorised AIFMs are permitted to manage RAIFs, which have been highly successful. There are 335 of them as of March 2018.

The CSSF continues to play an important role in providing guidance on the legal framework

governing alternative investment funds and their managers, and updates the AIFMD Frequently Asked Questions (FAQ) regularly. This FAQ document covers scope, the content of the application file, loan origination and loan participation by AIFMs, the rules on delegation of regulated activities, the role of the depositary, marketing rules, reporting and transparency requirements, valuation, and prudential capital rules.

Number of RAIF from July 2016 (inception of the RAIF Law) to March 2018



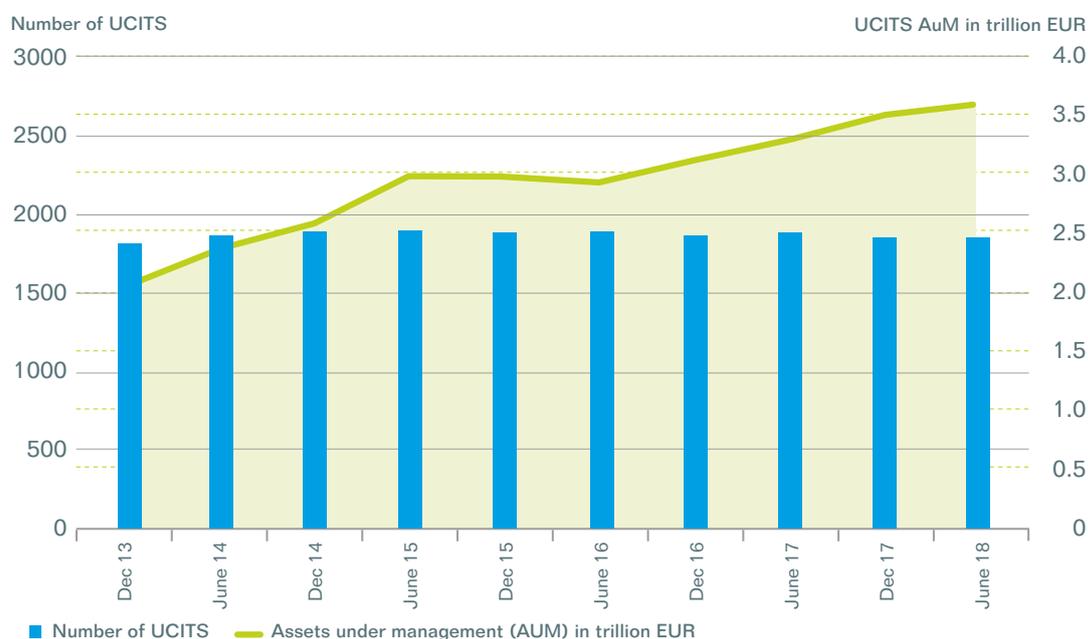
UCITS

The UCITS framework in Luxembourg is celebrating 30 years of existence in 2018. The last major amendment to it was in 2016 when UCITS V was transposed into Luxembourg law. One of the main objectives of that reform package was to further enhance investor protection by aligning the role, responsibilities, and regulation of the depositary with the AIFMD rules. The responsibilities of the depositary were broadened to include the monitoring cash flows in the fund and oversight of fund operations, in addition to the custody of the portfolios of investments. The liability of the depositary is stricter under UCITS, with the depositary fully liable for the loss of financial instruments held through the custody and sub-custody network.

The CSSF also provides guidance on the UCITS framework in a UCITS Frequently Asked Questions document that is updated regularly.

62%
of cross-border
funds worldwide are
from Luxembourg

Evolution of UCITS between 2013 and 2018



UCITS AUM market share in Europe (in bn)



Upcoming changes

The regulatory framework continues to evolve at the European Union (EU) level, and the initiatives described below will shape the funds industry in Luxembourg in the years to come.

MMF Regulation

The EU regulation on money market funds (MMFs) that are set up as UCITS or as AIFs will apply from 21 July 2018 (relevant to new MMFs only, at first). The regulation lays down a uniform set of rules for MMFs covering authorisation, eligible investments, portfolio composition, internal credit quality assessment, valuation rules, transparency, reporting to investors and to competent authorities, and liquidity risk management. Existing MMFs have to submit an application to their competent authority by 21 July 2019 demonstrating their compliance with the regulation.

EC legislative package on cross-border distribution of funds

As part of its Capital Markets Union (CMU) initiative, the European Commission (EC) has published a legislative proposal to boost the cross-border distribution of UCITS and AIFs. Currently, 70% of the total assets under management are held by investment funds authorised or registered for distribution in their domestic market only. Only 37% of UCITS and about 3% of alternative investment funds (AIFs) are registered for distribution in more than three Member States.

The intention of these targeted amendments to the UCITS and AIFMD legislative frameworks is the removal of remaining regulatory barriers to cross-border fund distribution. The proposal intends to align national marketing requirements and regulatory fees, while harmonising the process and requirements for the verification of marketing materials by national authorities. The rules on exiting a national market will be harmonised and clarification of pre-marketing activities will be introduced to allow managers to test the interest for an investment strategy among potential investors.

The European Commission (EC) is keen to have this text adopted by April 2019.

AIFMD review

The European Commission (DG FISMA Directorate General for Financial Stability, Financial Services, and CMU) mandated KPMG in 2017 to provide a comprehensive study on how the Alternative Investment Fund Managers Directive (AIFMD) has worked in practice and to what extent its objectives have been met. The assessment includes a general overview regarding the functioning of specific AIFMD requirements, including marketing through the passport and national regimes,

the impact of the depositary rules, the impact of the transparency and reporting requirements, the impact on private equity and venture capital funds, and the impact on the protection of non-listed companies.

KPMG will deliver its final report to the European Commission in October 2018, which will underpin the work of the Commission on any future amendment to the AIFMD framework.

Framework for the pan-European personal pension, or PEPP

Another pillar of the CMU initiative is a proposal for a regulation on a pan-European personal pension (PEPP) that was issued by the European Commission in June 2017 and is complementary to existing public and occupational pensions. The Commission also recommended that Member States give PEPPs the most favourable tax treatment available to their national personal pension products.

The proposal seeks to establish a legislative framework for a PEPP to enhance the cross-border provision and portability of personal pension products and increase investment in the EU.

EC Action Plan on sustainable finance

The EC published an Action Plan of Financing Sustainable Growth in March 2018 setting out the necessary steps for the financial system to contribute to the EU's sustainable development objectives. The measures include establishing EU labels for green financial products which will help investors to easily identify products

that comply with green or low-carbon criteria. It also introduces measures to clarify asset managers' and institutional investors' duties regarding sustainability, as well as measures to strengthen the transparency of companies on their environmental, social, and governance (ESG) policies.

Brexit

Fund managers will have to assess the impact of Brexit on their operating models as they transition to a post-Brexit legal and regulatory framework for their cross-border fund business. Luxembourg has been chosen by many alternative investment fund managers as the place to domicile their investment activities and operations.

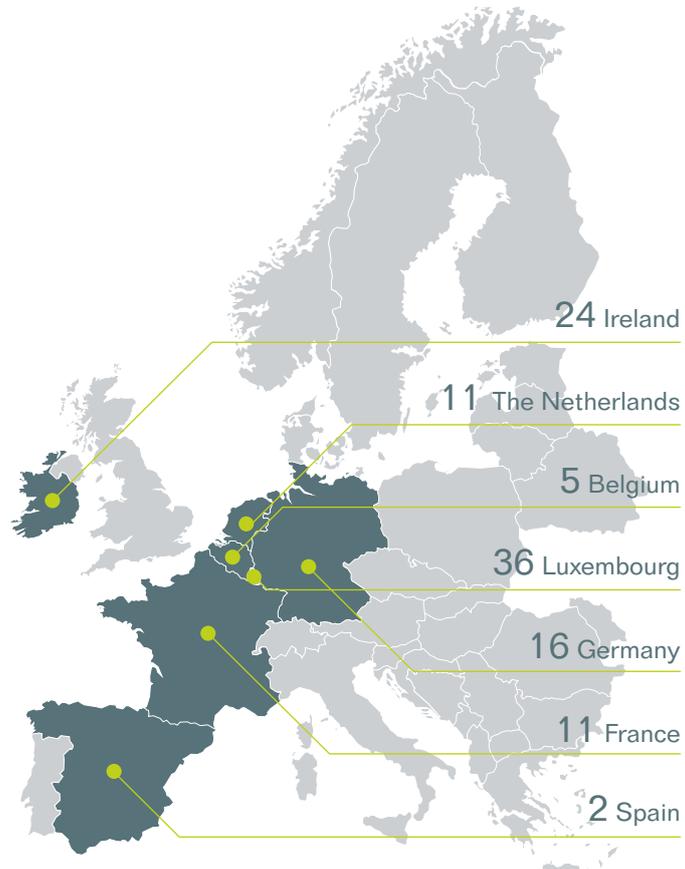
This confirms Luxembourg's position as the prime cross-border hub for funds, as a top choice for UK and US managers to develop their distribution activities across the EU market, and as a gateway to Asian markets.

Brexit timeline, past and projected



* Estimated timing

Brexit Relocation Map as of May 2018



Source: All figures are based on official media publications in relation to Brexit relocations

Legal and regulatory requirements

	UCITS ("Part I Fund")	Part II Fund with registered AIFM	
Applicable legislation	Law of 17 December 2010, as amended ("Fund law"), Part I.	Law of 17 December 2010, as amended ("Fund law"), Part II.	
Eligible assets	<p>Restricted to: Transferable securities admitted or dealt on a regulated market, investment funds, financial derivative instruments, cash and money market instruments that are compliant with Article 41 of the Fund law, the Commission Directive of 19 March 2007 implementing Council Directive 85/611/EEC as transposed in Luxembourg by the grand-ducal decree of 8 February 2008, CSSF circular 08/380 and CESR guidelines on a common definition of European money market funds (CESR 10-049), as amended by ESMA opinion ESMA/2014/1103.</p> <p>Uncovered short sales and borrowings are not permitted. Precious metals and certificates representing them may not be acquired.</p>	<p>Unrestricted.</p> <p>Prior approval of the investment objective and strategy by the CSSF.</p>	
Risk diversification requirements	Detailed risk diversification is required per Articles 42 to 52 of the Fund law.	<p>Risk diversification requirements are detailed in CSSF Circular 91/75 and are less stringent than the stringent ones in application for Part I funds.</p> <p>In addition, specific restrictions are contained in:</p> <ul style="list-style-type: none"> • CSSF Circular 91/75 for funds investing in venture capital, futures, options, and real estate. • CSSF Circular 02/80 for funds adopting an alternative investment strategy. 	
Entity type	<p>SICAV (SA) SICAF (SA, SCA)</p> <p>FCP</p> <p>All three must be open-ended.</p>	<p>SICAV (SA) SICAF (SA, SCA, Sàrl, SCS, SCSp)</p> <p>FCP</p> <p>Structures may be open or closed-ended.</p>	
Segregated sub-funds	Yes.	Yes.	
Cross sub-funds investment	Yes, with restrictions.	Yes, with restrictions.	
Master-Feeder	<p>Yes.</p> <p>Subject to specific rules (Fund law and CSSF Regulation 10-5).</p>	Yes.	
Central administration	Central administration established in Luxembourg; or central administration may be performed in another EU Member State for funds managed by UCITS Management Company established in another EU Member State.	Central administration established in Luxembourg.	

Part II Fund with authorised AIFM	SIF with registered AIFM
Law of 17 December 2010, as amended ("Fund law"), Part II.	Law of 13 February 2007, as amended ("SIF law").
Unrestricted. Prior approval of the investment objective and strategy by the CSSF.	Unrestricted.
Risk diversification requirements are detailed in CSSF Circular 91/75 and are less stringent than the stringent ones in application for Part I funds. In addition, specific restrictions are contained in: <ul style="list-style-type: none"> • CSSF Circular 91/75 for funds investing in venture capital, futures, options, and real estate. • CSSF Circular 02/80 for funds adopting an alternative investment strategy. 	Risk diversification requirements are detailed in CSSF Circular 07/309 and are less than the ones in application for part I and part II funds under the Fund Law. The main requirement for the SIF is (in principle) not to invest more than 30% of its assets with the same issuer.
SICAV (SA) SICAF (SA, SCA, Sàrl, SCS, SCSp) FCP Structures may be open or closed-ended.	SICAV/SICAF (SA, SCA, Sàrl, SCoSA, SCS, SCSp) FCP Structures may be open or closed-ended.
Yes.	Yes.
Yes, with restrictions.	Yes, with restrictions.
Yes.	Yes.
Central administration established in Luxembourg.	Central administration established in Luxembourg.

Legal and regulatory requirements

	SIF with authorised AIFM	SICAR with registered AIFM	
Applicable legislation	Law of 13 February 2007, as amended ("SIF law").	Law of 15 June 2004, as amended ("SICAR law").	
Eligible assets	Unrestricted.	<p>Restricted to direct and/or indirect investment in securities that represent risk capital.</p> <p>CSSF Circular 06/241 defines the notion of risk capital and the way the CSSF will decide if the investment objective of the SICAR complies with the requirement to invest in risk capital.</p> <p>Risk capital consists mainly of high risk investments made in view of their launch, development, or listing on a stock exchange. Such investments may take varied forms and are normally done with a medium-term view.</p> <p>The SICAR may also marginally enter into financial derivative instruments on an exceptional basis.</p> <p>Temporary investment in other assets is allowed pending investment in risk capital.</p>	
Risk diversification requirements	<p>Risk diversification requirements are detailed in CSSF Circular 07/309 and are less stringent than the ones in application for part I and part II funds under the Fund Law.</p> <p>The main requirement for the SIF is in principle not to invest more than 30% of its assets with the same issuer.</p>	No risk diversification requirements.	
Entity type	<p>SICAV/SICAF (SA, SCA, Sàrl, SCoSA, SCS, SCSp)</p> <p>FCP</p> <p>Structures may be open or closed-ended.</p>	<p>Corporate entity with fixed or variable share capital (SA, SCA, Sàrl, SCoSA, SCS, SCSp)</p> <p>Structures may be open or closed-ended.</p>	
Segregated sub-funds	Yes.	Yes.	
Cross sub-funds investment	Yes, with restrictions.	No.	
Master-Feeder	Yes.	Yes.	
Central administration	Central administration established in Luxembourg.	Central administration established in Luxembourg.	

SICAR with authorised AIFM	RAIF only with authorised AIFM
Law of 15 June 2004, as amended ("SICAR law").	Law of 23 July 2016 ("RAIF law").
<p>Restricted to direct and/or indirect investment in securities that represent risk capital.</p> <p>CSSF Circular 06/241 defines the notion of risk capital and the way the CSSF will decide if the investment objective of the SICAR complies with the requirement to invest in risk capital.</p> <p>Risk capital consists mainly of high risk investments made in view of their launch, development or listing on a stock exchange. Such investments may take varied forms and are normally done with a medium-term view.</p> <p>The SICAR may also marginally enter into financial derivative instruments on an exceptional basis.</p> <p>Temporary investment in other assets is allowed pending investment in risk capital.</p>	Unrestricted.
No risk diversification requirements.	<p>No risk diversification limits defined; RAIF should invest in accordance with the risk-spreading principle.</p> <p>No risk diversification if it invests solely in Risk Capital.</p>
<p>Corporate entity with fixed or variable share capital (SA, SCA, Sàrl, SCoSA, SCS, SCSp).</p> <p>Structures may be open or closed-ended.</p>	<p>SICAV/SICAF (SA, SCA, Sàrl, SCoSA, SCS, SCSp)</p> <p>FCP</p> <p>Structures may be open or closed-ended.</p>
Yes.	Yes.
No.	Yes, with restrictions.
Yes.	Yes.
Central administration established in Luxembourg.	Central administration established in Luxembourg.

Legal and regulatory requirements

	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Required service providers in Luxembourg	Depository - eligible under UCITS directive. <i>Réviser d'entreprises agréé.</i>	Depository - eligible entity under UCI law. <i>Réviser d'entreprises agréé.</i>
Management company requirement	<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law or a UCITS Management company established in another EU Member State.</p> <p>SICAV/SICAF May appoint a Luxembourg (Chapter 15 of the Fund law) or EU management company or be set up as a UCITS self-managed SICAV.</p>	<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law; or management company established in Luxembourg under Chapter 16, article 125-1 of the Fund law.</p> <p>SICAV/SICAF No – however, the registered AIFM could be a management company.</p>
Registration requirements in Luxembourg	<p>A fund is deemed to be established in Luxembourg if it is authorised by the CSSF.</p> <p>No nationality or residency requirements for directors of funds which have appointed a management company.</p> <p>At least two conducting officers/persons of the Luxembourg management company or self-managed SICAV must be located in Luxembourg (unless specific derogation is obtained from the CSSF). For non-Luxembourg management companies, local rules apply.</p>	<p>Registered office of SICAV/ SICAF or of the management company of the FCP must be in Luxembourg.</p> <p>No nationality or residency requirements for directors of funds or Chapter 16 management company.</p> <p>Minimum requirements for the two conducting officers of the Chapter 15 management company to be located in Luxembourg (unless specific derogation is obtained from the CSSF).</p>
Minimum capital requirement for fund/company	<p>EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>Self-managed SICAV/SICAF: EUR 300,000 at the date of authorisation and EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>	<p>EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

Part II Fund with authorised AIFM	SIF with registered AIFM*
<p>Depository - eligible entity under AIFM law. <i>Réviseur d'entreprises agréé.</i></p>	<p>Depository - eligible entity under SIF law. <i>Réviseur d'entreprises agréé.</i></p>
<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law, management company established in Luxembourg under Chapter 16, article 125-2 of the Fund law, or management company established in Luxembourg under Chapter 16, article 125-1 of the Fund law (which must designate an AIFM for the FCP managed).</p> <p>SICAV/SICAF No – however, the authorised AIFM could be a management company.</p>	<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law or management company established in Luxembourg under Chapter 16 article 125-1 of the Fund law.</p> <p>SICAV/SICAF No – however, the registered AIFM could be a management company.</p>
<p>Registered office of SICAV/ SICAF or of the management company of the FCP must be in Luxembourg.</p> <p>No nationality or residency requirements for directors of funds or Chapter 16 management company.</p> <p>Minimum requirements for the two conducting officers of the AIFM to be located in Luxembourg (unless specific derogation is obtained from the CSSF).</p>	<p>Registered office of SICAV/ SICAF or of the management company of the FCP must be in Luxembourg.</p> <p>No nationality or residency requirements for directors of funds or Chapter 16 management company.</p> <p>Minimum requirements for the two conducting officers of the Chapter 15 management company to be located in Luxembourg (unless specific derogation is obtained from the CSSF).</p>
<p>EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>Internally-managed SICAV/SICAF: EUR 300,000 at the date of authorisation and EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>	<p>EUR 1,250,000 to be reached within 12 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>

Legal and regulatory requirements

	SIF with authorised AIFM*	SICAR with registered AIFM*	
Required service providers in Luxembourg	Depository - eligible entity under AIFM law. <i>Réviseur d'entreprises agréé.</i>	Depository - eligible entity under SICAR law. <i>Réviseur d'entreprises agréé.</i>	
Management company requirement	<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law, management company established in Luxembourg under Chapter 16, article 125-2 of the Fund law or a management company established in Luxembourg under Chapter 16, article 125-1 of the Fund law (which must designate an AIFM for the FCP managed).</p> <p>SICAV/SICAF No – however, the authorised AIFM could be a management company.</p>	No.	
Registration requirements in Luxembourg	<p>Registered office of SICAV/SICAF or of the management company of the FCP must be in Luxembourg.</p> <p>No nationality or residency requirements for directors of funds or Chapter 16 management company.</p> <p>Minimum requirement for the two conducting officers of the AIFM to be located in Luxembourg (unless specific derogation is obtained from the CSSF).</p>	<p>Registered office of the SICAR must be in Luxembourg.</p> <p>No nationality or residency requirements for directors.</p>	
Minimum capital requirement for fund/company	<p>EUR 1,250,000 to be reached within 12 months of authorisation.</p> <p>Internally-managed SICAV/SICAF: EUR 300,000 at the date of authorisation and EUR 1,250,000 to be reached within 6 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>	<p>Total of subscribed share capital and share premium of EUR 1,000,000 to be reached within 12 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>	

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

SICAR with authorised AIFM*	RAIF only with authorised AIFM
<p>Depository - eligible entity under AIFM law. <i>Réviseur d'entreprises agréé.</i></p>	<p>Depository – eligible entity under AIFM law. <i>Réviseur d'entreprises agréé.</i></p>
<p>No.</p>	<p>FCP Yes. Management company established in Luxembourg under Chapter 15 of the Fund law or management company established in Luxembourg under Chapter 16, both with authorised AIFM license.</p> <p>SICAV/SICAF No – however, the authorised AIFM could be a management company.</p>
<p>Registered office of the SICAR must be in Luxembourg.</p> <p>No nationality or residency requirements for directors.</p>	<p>Registered office of SICAV/SICAF or of the management company of the FCP must be in Luxembourg.</p> <p>No nationality or residency requirements for directors of funds or management company.</p> <p>Minimum requirement that the two conducting officers of the AIFM be located in Luxembourg (unless specific derogation is obtained from the CSSF).</p>
<p>Total of subscribed share capital and share premium of EUR 1,000,000 to be reached within 12 months of authorisation.</p> <p>Internally-managed company: EUR 300,000 at the date of authorisation and the total of subscribed share capital and share premium of EUR 1,000,000 to be reached within 12 months of authorisation.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>	<p>EUR 1,250,000 to be reached within 12 months from entry into force of the management regulations.</p> <p>For umbrella structures, this capital requirement applies to the structure as a whole.</p>

Legal and regulatory requirements

	UCITS ("Part I Fund")	Part II Fund with registered AIFM	
Risk management	The risk management function is regulated by CSSF Regulation 10-4, CSSF Circular 11/512, CSSF Circular 12/546 and CSSF Circular 11/498 implementing CESR guidelines 10-788.	There are no specific regulatory requirements governing the risk management function.	
Portfolio management	The asset management function is regulated under the asset manager's local regulation.	<p>The portfolio management function is regulated under the asset manager's local regulation.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p>	

Part II Fund with authorised AIFM	SIF with registered AIFM*
<p>The risk management function is regulated under AIFMD and under articles 38 to 49 of Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p>	<p>The risk management function is regulated by article 42bis of the SIF law and by CSSF Regulation 15-07.</p>
<p>The portfolio management function is regulated under AIFMD and under Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p>	<p>The portfolio management function is regulated under the asset manager's local regulation.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p> <p><i>For a SIF that does not qualify as an AIF: The portfolio management function is subject to local regulation. Supervisory arrangements between regulatory authorities may be required.</i></p>

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

Legal and regulatory requirements

	SIF with authorised AIFM*	SICAR with registered AIFM*	
Risk management	<p>The risk management function is regulated under AIFMD and under articles 38 to 49 of Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p>	<p>The risk management function is not strictly regulated. Conflicts of interest are regulated by CSSF Regulation 15-08.</p>	
Portfolio management	<p>The portfolio management function is regulated under AIFMD and under the Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p>	<p>The portfolio management function is regulated under the asset manager's local regulation.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p> <p><i>For a SICAR that does not qualify as an AIF: The portfolio management function is subject to local regulation. Supervisory arrangements between regulatory authorities may be required.</i></p>	

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

SICAR with authorised AIFM*	RAIF only with authorised AIFM
<p>The risk management function is regulated under AIFMD and under articles 38 to 49 of Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p>	<p>The risk management function is regulated under AIFMD and under articles 38 to 49 of Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p>
<p>The portfolio management function is regulated under AIFMD and under Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p>	<p>The portfolio management function is regulated under AIFMD and under Commission Delegated Regulation (EU) No 231/2013.</p> <p>It is one of the two core functions of an AIFM.</p> <p>The portfolio management may also be performed by a non-EU AIFM under specific third-party country regime.</p>

Shareholding

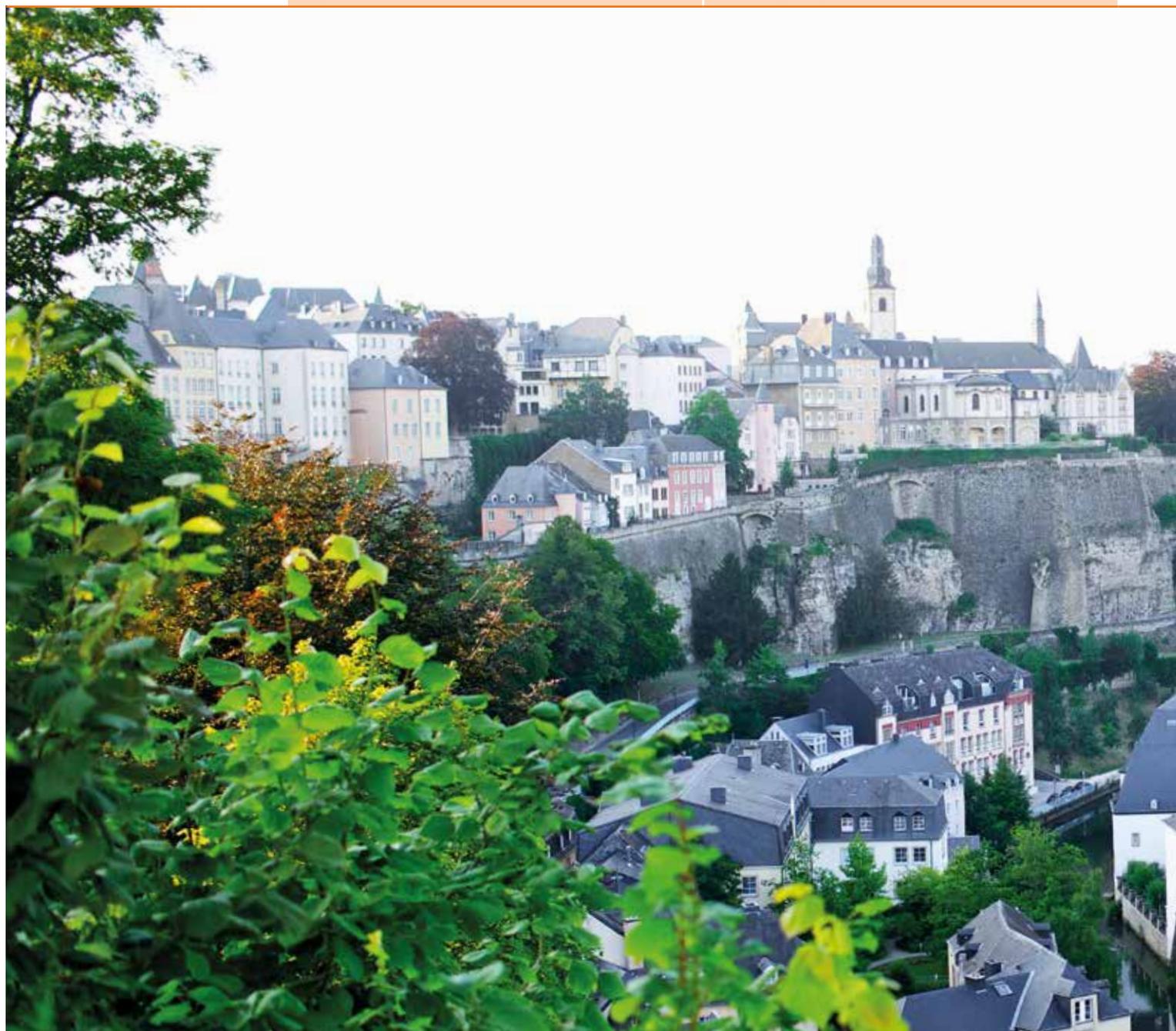
	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Eligible investors	All types.	All types.
Listing	Possible.	Possible.
Capital calls	<p>FCP Capital calls can be made either by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage of payment of the unit.</p> <p>SICAV Capital calls may only be made by way of capital commitments, as partly paid shares are not allowed for a SICAV.</p> <p>SICAF If the SICAF is set up as an SA or SCA, capital calls can be organised through capital commitments or by way of the issue of partly paid shares. At least 25% of each share must be paid up.</p>	<p>FCP Capital calls can be made either by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage of payment of the unit.</p> <p>SICAV Capital calls may only be made by way of capital commitments, as partly paid shares are not allowed for a SICAV.</p> <p>SICAF For a Sàrl capital calls may only be made by way of capital commitments, as partly paid shares are not allowed. If the SICAF is set up as an SA, SCA, SCS or SCSp capital calls can be organised through capital commitments or by way of the issue of partly paid shares. For SA and SCA, at least 25% of each share must be paid up and there are no minimum legal requirements for SCS or SCSp.</p>
Issue of shares/units	<p>FCP Units must be issued at the NAV price.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined by dividing the NAV by the number of shares outstanding.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>	<p>FCP Units must be issued at the NAV price.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined by dividing the NAV by the number of shares outstanding.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>

Part II Fund with authorised AIFM	SIF with registered AIFM
All types.	Well-informed investors.
Possible.	Possible.
<p>FCP Capital calls can be made either by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage of payment of the unit.</p> <p>SICAV Capital calls may only be made by way of capital commitments, as partly paid shares are not allowed for a SICAV.</p> <p>SICAF For a Sàrl capital calls may only be made by way of capital commitments, as partly paid shares are not allowed. If the SICAF is set up as an SA, SCA, SCS or SCSp capital calls can be organised through capital commitments or by way of the issue of partly paid shares. For SA and SCA, at least 25% of each share must be paid up and there are no minimum legal requirements for SCS or SCSp.</p>	<p>FCP Capital calls may be made by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage to which each unit must be paid up.</p> <p>SICAV Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p> <p>SICAF Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p>
<p>FCP Units must be issued at the NAV price.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined by dividing the NAV by the number of shares outstanding.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>	<p>FCP The unit price will be determined based on the principles laid down in the management regulations.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>

	SIF with authorised AIFM	SICAR with registered AIFM
Eligible investors	Well-informed investors.	Well-informed investors.
Listing	Possible.	Possible.
Capital calls	<p>FCP Capital calls may be made by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage to which each unit must be paid up.</p> <p>SICAV Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p> <p>SICAF Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p>	Capital calls may be made by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.
Issue of shares/units	<p>FCP The unit price will be determined based on the principles laid down in the management regulations.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>	<p>The issue of new shares requires an amendment of the constitutive documents unless the SICAR is set up with variable share capital.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>The issue of new shares will be conducted as provided for in the constitutive documents.</p> <p>The existing shareholders will have a pre-emption right if specifically provided for in the constitutive documents.</p>

SICAR with authorised AIFM	RAIF only with authorised AIFM
Well-informed investors.	Well-informed investors.
Possible.	Possible.
Capital calls may be made by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.	<p>FCP Capital calls may be made by way of capital commitments or through the issue of partly paid units. The law does not prescribe a minimum percentage to which each unit must be paid up.</p> <p>SICAV Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p> <p>SICAF Capital calls may be done by way of capital commitments or through the issue of partly paid shares. At least 5% of each share must be paid up.</p>
<p>The issue of new shares requires an amendment of the constitutive documents unless the SICAR is set up with variable share capital.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>The issue of new shares will be conducted as provided for in the constitutive documents.</p> <p>The existing shareholders will have a pre-emption right if specifically provided for in the constitutive documents.</p>	<p>FCP The unit price will be determined based on the principles laid down in the management regulations.</p> <p>Existing unitholders do not have a pre-emption right when new units are issued, unless specifically provided for in the management regulations.</p> <p>SICAV The issue of shares does not require an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>Existing shareholders do not have a pre-emption right when new shares are issued, unless specifically provided for in the constitutive documents.</p> <p>SICAF The issue of shares requires an amendment of the constitutive documents.</p> <p>The share price will be determined based on the principles laid down in the constitutive documents.</p> <p>When the SICAF is organised as an SA or SCA, existing shareholders have a pre-emption right when new shares are issued, unless this right was waived by the shareholders' meeting as permitted in the constitutive documents.</p>

	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Distribution of dividends	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>For SICAF, final dividend distributions may not result in a decrease in assets to an amount less than one-and-a-half times the fund's total liabilities to its creditors. Interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>When the SICAF is organised as an SA or SCA, final dividend distributions are subject to restrictions as per Article 72-3 of the Commercial Law. For SA, SCA and Sàrl, interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>



	Part II Fund with authorised AIFM	SIF with registered AIFM
Distribution of dividends	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>When the SICAF is organised as an SA or SCA, final dividend distributions are subject to restrictions as per Article 72-3 of the Commercial Law. For SA, SCA and Sàrl, interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>When the SICAF is organised as an SA or SCA, final dividend distributions are subject to restrictions as per Article 72-3 of the Commercial Law. For SA, SCA and Sàrl, interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>



	SIF with authorised AIFM	SICAR with registered AIFM	
Distribution of dividends	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>When the SICAF is organised as an SA or SCA, final dividend distributions are subject to restrictions as per Article 72-3 of the Commercial Law. For SA, SCA and Sàrl, interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>	<p>The distribution of dividends must be foreseen in the prospectus/article of incorporation of the SICAR.</p> <p>Dividend distributions, interim and final, are not subject to specific regulatory restrictions, except for compliance with minimum capital requirements and other restrictions stated in the constitutive documents.</p>	

SICAR with authorised AIFM	RAIF only with authorised AIFM
<p>The distribution of dividends must be foreseen in the prospectus/article of incorporation of the SICAR.</p> <p>Dividend distributions, interim and final, are not subject to specific regulatory restrictions, except for compliance with minimum capital requirements and other restrictions stated in the constitutive documents.</p>	<p>The distribution of dividends must be foreseen in the prospectus of the fund.</p> <p>For SICAV and FCP, distributions (interim or final) can be made irrespective of the realised results within the period, to the extent the minimum share capital is maintained (EUR 1,250,000).</p> <p>When the SICAF is organised as an SA or SCA, final dividend distributions are subject to restrictions as per Article 72-3 of the Commercial Law. For SA, SCA and Sàrl, interim dividend distributions may be subject to statutory requirements of the Commercial Law.</p>

Reporting requirements

	UCITS ("Part I Fund")	Part II Fund with registered AIFM	
Prospectus directive as transposed into the Luxembourg law	<p>Closed-ended Part I funds may not be closed-ended.</p> <p>Open-ended Part I funds make a public offer on the basis of their prospectus prepared in accordance with the requirements of the Fund law.</p> <p>The prospectus must be updated on an ongoing basis.</p>	<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an "offer to the public" within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive. In that case, a prospectus must be prepared in accordance with the Fund law.</p> <p>Open-ended Part II funds may make a public offer on the basis of their prospectus prepared in accordance with the requirements of the Fund law.</p> <p>The prospectus must be updated on an ongoing basis.</p>	
PRIIP (Packaged Retail and Insurance-based Investments Products)	Exemption at least until December 31, 2019.	Required from January 01, 2018 if the fund is offered to retail investors.	
Key Investor Information Document (KIID)	Required at least until December 31, 2019.	Not required.	
NAV computation frequency	NAV must be computed on each day there are subscriptions or redemptions with a minimum of twice a month.	NAV must be computed on each day there are subscriptions or redemptions with a minimum of once a month.	
Valuation principles	Valuation of assets is made on the basis of the realisable value estimated in good faith.	Valuation of assets is made on the basis of the realisable value estimated in good faith, unless provided for differently in the constitutive documents or management regulations.	

Part II Fund with authorised AIFM	SIF with registered AIFM
<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive. In that case, a prospectus must be prepared in accordance with the Fund law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>Open-ended Part II funds may make a public offer on the basis of their prospectus prepared in accordance with the requirements of the Fund law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors. The prospectus must be updated on an ongoing basis.</p>	<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive. In that case, either a prospectus or an offering document must be prepared in accordance with the SIF law.</p> <p>Open-ended A SIF may make an offer to well-informed investors on the basis of their prospectus/ offering document being prepared in accordance with the requirements of the SIF law. The prospectus/offering document must be updated on an ongoing basis.</p>
Required from January 01, 2018 if the fund is offered to retail investors.	Required from January 01, 2018 if the SIF’s well-informed investor is classified as retail investor.
Not required.	Not required.
NAV must be computed on each day there are subscriptions or redemptions with a minimum of once a month.	NAV is computed on the frequency set in the constitutive documents or management regulations with a minimum of once a year.
Valuation of assets is made on the basis of the realisable value estimated in good faith, unless provided for differently in the constitutive documents or management regulations.	Assets are to be valued at fair value unless provided for differently in the constitutive documents or management regulations.

Reporting requirements

	SIF with authorised AIFM	SICAR with registered AIFM	
Prospectus directive as transposed into the Luxembourg law	<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive. In that case, either a prospectus or an offering document must be prepared in accordance with the SIF law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>Open-ended A SIF may make an offer to well-informed investors on the basis of their prospectus/ offering document being prepared in accordance with the requirements of the SIF law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors. The prospectus/offering document must be updated on an ongoing basis.</p>	<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive.</p> <p>Open-ended A SICAR that makes an offer under an exemption of the Prospectus Directive must prepare a prospectus compliant with the SICAR law. The prospectus must be updated each time new securities are issued.</p>	
PRIIP (Packaged Retail and Insurance-based Investments Products)	Required from January 01, 2018 if the SIF's well-informed investor is classified as retail investor.	Required from January 01, 2018 if the SICAR's well-informed investor is classified as retail investor.	
Key Investor Information Document (KIID)	Not required.	Not required.	
NAV computation frequency	NAV is computed on the frequency set in the constitutive documents or management regulations with a minimum of once a year.	Not required.	
Valuation principles	Assets are to be valued at fair value unless provided for differently in the constitutive documents or management regulations.	Assets are to be valued at fair value to be determined in compliance with the rules detailed in the constitutive documents.	

SICAR with authorised AIFM	RAIF only with authorised AIFM
<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the prospectus Directive. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>Open-ended A SICAR that makes an offer under an exemption of the Prospectus Directive must prepare a prospectus compliant with the SICAR law and of the AIFM law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>The prospectus must be updated each time new securities are issued.</p>	<p>Closed-ended A prospectus prepared in compliance with the requirements of the Prospectus Directive must be prepared when an “offer to the public” within the meaning of the Prospectus Directive is made except if the offer falls under any exemption of the Prospectus Directive. In that case, either a prospectus or an offering document must be prepared in accordance with the RAIF law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>Open-ended A RAIF may make an offer to well-informed investors on the basis of their prospectus/ offering document being prepared in accordance with the requirements of the RAIF law. The information to be communicated to investors stated in article 21 of the AIFM law must either be included in the prospectus or communicated separately to investors.</p> <p>The prospectus/offering document must be updated on an ongoing basis.</p>
Required from January 01, 2018 if the SICAR's well-informed investor is classified as retail investor.	Required from January 01, 2018 if the RAIF's well-informed investor is classified as retail investor.
Not required.	Not required.
Not required.	NAV is computed on the frequency set in the constitutive documents or management regulations with a minimum of once a year.
Assets are to be valued at fair value to be determined in compliance with the rules detailed in the constitutive documents.	Assets are to be valued at fair value unless provided for differently in the constitutive documents or management regulations.

Reporting requirements

	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Financial reports	<p>Audited annual report is required within 4 months of the year-end.</p> <p>Semi-annual report due within 2 months of the 6 month period-end.</p>	<p>Audited annual report is required within 6 months of the year-end.</p> <p>Semi-annual report due within 3 months of the 6 month period-end.</p> <p>If a closed-ended fund is listed on an EU regulated market the deadlines may be shorter (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>
Generally accepted accounting principles	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 9§3, 28§4, 39 of the Fund law; <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Semi-annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 9§3, 28§4, 39 of the Fund law; <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 90, 95, 99§5 of the Fund law; <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Semi-annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 90, 95, 99§5 of the Fund law; <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>
Other reports	<p>A long-form report is to be issued by the auditor with the annual report in accordance with CSSF Circular 02/81.</p>	<p>A long-form report is to be issued by the auditor with the annual report in accordance with CSSF Circular 02/81.</p>
Consolidation	<p>No exemption granted – normally not required due to diversification requirements.</p>	<p>The law contains an exemption to prepare consolidated accounts for the UCI and its subsidiaries owned for investment purposes.</p>

Part II Fund with authorised AIFM	SIF with registered AIFM
<p>Audited annual report is required within 6 months of the year-end.</p> <p>Semi-annual report due within 3 months of the 6 month period-end.</p> <p>If a closed-ended fund is listed on an EU regulated market the deadlines may be shorter (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>	<p>Audited annual report is required within 6 months of the year-end.</p> <p>No semi-annual report is required.</p> <p>If a closed-ended fund is listed on an EU regulated market the deadlines may be shorter (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>
<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 88-4, 90, 95, 99§5 of the Fund law. <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>In addition, the AIFM law requires specific disclosure to be included in the annual report.</p> <p>Semi-annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 88-4, 90, 95, 99§5 of the Fund law. <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 9, 28§4, 40§1, 82 of the SIF law.» <p>Or:</p> <ul style="list-style-type: none"> - IFRS <p>Semi-annual report</p> <p>Not required.</p> <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>
<p>A long-form report to be issued by the auditor with the annual report in accordance with CSSF Circular 02/81.</p>	<p>None</p>
<p>The law contains an exemption to prepare consolidated accounts for the UCI and its subsidiaries owned for investment purposes.</p>	<p>The law contains an exemption to prepare consolidated accounts for the SIF and its subsidiaries owned for investment purposes.</p>

Reporting requirements

	SIF with authorised AIFM	SICAR with registered AIFM
Financial reports	<p>Audited annual report is required within 6 months of the year-end.</p> <p>No semi-annual report is required.</p> <p>If a closed-ended fund is listed on an EU regulated market the deadlines may be shorter (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>	<p>Audited annual report is required within 6 months of the year-end.</p> <p>No semi-annual report is required.</p> <p>If the entity is listed on an EU regulated market the requirements may be different (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>
Generally accepted accounting principles	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for : <ul style="list-style-type: none"> • The content and layout of the annual report; • The valuation of assets which is ruled by articles 9, 28§4, 40§1, 82 of the SIF law; <p>Or:</p> <ul style="list-style-type: none"> - IFRS. <p>In addition, the AIFM law requires specific disclosure to be included in the annual report.</p> <p>Semi-annual report</p> <p>Not required.</p> <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with the EU regulation 1606/2002.</p>	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP only, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for the valuation of assets which is ruled by article 5§3 of the SICAR law. <p>Or:</p> <ul style="list-style-type: none"> - IFRS. <p>Semi-annual report</p> <p>Not required.</p> <p>Consolidated accounts</p> <p>IFRS is mandatory if the company is listed in accordance with the EU regulation 1606/2002.</p>
Other reports	None.	None.
Consolidation	The law contains an exemption to prepare consolidated accounts for the SIF and its subsidiaries owned for investment purposes.	The law contains an exemption for the SICAR to prepare consolidated accounts.

SICAR with authorised AIFM	RAIF only with authorised AIFM
<p>Audited annual report is required within 6 months of the year-end.</p> <p>No semi-annual report is required.</p> <p>If the entity is listed on an EU regulated market the requirements may be different (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>	<p>Audited annual report is required within 6 months of the year-end.</p> <p>No semi-annual report is required.</p> <p>If a closed-ended fund is listed on an EU regulated market the requirements may be different (if listed on LuxSE, an audited annual report is required within 4 months of the year-end and a semi-annual report is due within 3 months of the 6 month period-end).</p>
<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for the valuation of assets which is ruled by article 49 of the SICAR law. <p>Or:</p> <ul style="list-style-type: none"> - IFRS. <p>In addition, the AIFM law requires specific disclosure to be included in the annual report.</p> <p>Semi-annual report Not required.</p> <p>Consolidated accounts IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>	<p>Irrespective of the methodology used for the calculation of the NAV, the reports may be prepared as follows:</p> <p>Annual report</p> <ul style="list-style-type: none"> - Lux GAAP, i.e. provisions of the law of 19 December 2002 (as subsequently amended) except for: <ul style="list-style-type: none"> • The content and layout of the annual report. (if does not opt for Art 48 form) • The valuation of assets which is ruled by articles 11, 26§4, 33§1 of the RAIF law. <p>Or:</p> <ul style="list-style-type: none"> - IFRS. <p>In addition, the AIFM law requires specific disclosure to be included in the annual report.</p> <p>Semi-annual report Not required.</p> <p>Consolidated accounts IFRS is mandatory if the company is listed in accordance with EU regulation 1606/2002.</p>
None.	None.
The law contains an exemption for the SICAR to prepare consolidated accounts.	The law contains an exemption for the RAIF and its subsidiaries to prepare consolidated accounts.

Approval and supervision

	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Promoter requirement	<p>No for SIAGs, FCPs and SICAVs with a Luxembourg UCITS management company.</p> <p>Yes for FCPs and SICAVs with a management company established in another EU Member State.</p>	<p>Yes for self-managed SICAVs and for FCPs and SICAVs with a management company established under Chapter 16 of the Fund law.</p>
Supervision by CSSF	Yes.	Yes.
Regular reporting to CSSF	<p>Yes. Monthly with due date the 10th of the next month.</p> <p>Annually with due date 4 months after year-end. Details on reporting contained in CSSF Circular 97/136 as modified by CSSF Circular 08/348. Semi-annual UCITS risk reporting applicable to Part I funds. Details for the first reporting were provided in a circular letter dated 22 April 2016. Each reporting will be accompanied by a circular letter to the industry.</p>	<p>Yes. Monthly with due date the 10th of the next month.</p> <p>Annually with due date 6 months after year-end. Details on reporting contained in CSSF Circular 97/136 as modified by CSSF Circular 08/348. Internally-managed SICAV/SICAF (registered AIFM): details on reporting contained in article 3.d) of the AIFM law.</p>
Approval process	<p>Creation of a fund is subject to the CSSF's prior approval of:</p> <ul style="list-style-type: none"> • Constitutive documents or management regulations, prospectus, draft KIIDs and main agreements with service providers; • Directors of the fund and/or of the management company; • Choice of depositary, auditor and asset manager; • Promoter's experience and financial soundness (if applicable); • Confirmation of supervision by regulatory authority of promoter (if applicable) and asset manager. 	<p>Creation of a fund is subject to the CSSF's prior approval of:</p> <ul style="list-style-type: none"> • Constitutive documents, or management regulations, prospectus and main agreements with service providers; • Directors of the fund and/or of the management company; • Choice of depositary, auditor and AIFM; • Promoter's experience and financial soundness (if applicable); • Confirmation of supervision by regulatory authority of promoter (if applicable).
Process for cross-border distribution in Europe	<p>Regulator-to-regulator for initial notification. Fund management company to regulator for notification of subsequent changes.</p>	<p>National marketing rules.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p>

Part II Fund with authorised AIFM	SIF with registered AIFM*
Yes for self-managed SICAVs and for FCPs and SICAVs with a management company established under Chapter 16 of the Fund law.	No.
Yes.	Yes.
<p>Yes. Monthly with due date the 10th of the next month.</p> <p>Annually with due date 6 months after year-end. Details on reporting contained in CSSF Circular 97/136 as modified by CSSF Circular 08/348.</p> <p>Internally-managed SICAV/SICAF (authorised AIFM): details on reporting contained in article 22 of the AIFM law.</p>	<p>Yes. Monthly with due date the 10th of the next month based on the latest available NAV (when NAV is not calculated monthly).</p> <p>Annually with due date 6 months after year-end. Details on reporting contained in CSSF Circular 07/310 as modified by CSSF Circular 08/348.</p> <p>Internally-managed SICAV/SICAF (registered AIFM): details on reporting contained in article 3.d) of the AIFM law.</p> <p><i>The latter reporting does not apply for SIFs that do not qualify as AIFs.</i></p>
<p>Creation of a fund is subject to the CSSF's prior approval of:</p> <ul style="list-style-type: none"> • Constitutive documents, or management regulations, prospectus and main agreements with service providers; • Directors of the fund and/or of the management company; • Choice of depositary, auditor and AIFM; • Promoter's experience and financial soundness (if applicable); • Confirmation of supervision by regulatory authority of promoter (if applicable). 	<p>Creation of a fund is subject to the CSSF's prior approval of:</p> <ul style="list-style-type: none"> • Constitutive documents or management regulations, offering document or prospectus and main agreements with service providers; • Directors of the fund and/or of the management company; • Choice of depositary, auditor and AIFM (<i>portfolio manager if the SIF does not qualify as an AIF</i>).
<p>Professional investors: regulator-to-regulator for initial notification and subsequent changes.</p> <p>Retail investors: national marketing rules apply.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p>	<p>National marketing rules apply.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p> <p><i>If the SIF does not qualify as an AIF, no marketing is normally done.</i></p>

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

Approval and supervision

	SIF with authorised AIFM*	SICAR with registered AIFM*
Promoter requirement	No.	No.
Supervision by CSSF	Yes.	Yes.
Regular reporting to CSSF	<p>Yes.</p> <p>Monthly with due date the 10th of the next month based on the latest available NAV (when NAV is not calculated monthly).</p> <p>Annually with due date 6 months after year-end.</p> <p>Details on reporting contained in CSSF Circular 07/310 as modified by CSSF Circular 08/348.</p> <p>Internally-managed SICAV/SICAF (authorised AIFM): details on reporting contained in article 22 of the AIFM law.</p>	<p>Yes.</p> <p>Twice a year, on 30 June and 31 December with due date 45 calendar days subsequent to the reference date of the report.</p> <p>Annually with due date 6 months after year-end.</p> <p>Details on reporting contained in CSSF circular 08/376.</p> <p>Internally-managed company (registered AIFM): details on reporting contained in article 3.d) of the AIFM law.</p> <p><i>The latter reporting does not apply for SICARs that do not qualify as AIFs</i></p>
Approval process	<p>Creation of a fund is subject to the CSSF's prior approval of:</p> <ul style="list-style-type: none"> • Constitutive documents or management regulations, offering document or prospectus and main agreements with service providers; • Directors of the fund and/or of the management company; • Choice of depositary, auditor and AIFM. 	<p>Formation of a SICAR is not subject to approval of the CSSF.</p> <p>An authorisation file must be submitted to the CSSF within the month following the formation of the SICAR. The authorisation will be granted subject to:</p> <ul style="list-style-type: none"> • Approval of the constitutive documents, prospectus and main agreements with service providers; • Notification of the directors of the SICAR; • Approval of the choice of depositary, auditor and AIFM (<i>portfolio manager if the SICAR does not qualify as an AIF</i>).
Process for cross-border distribution in Europe	<p>Professional investors: regulator-to-regulator for initial notification and subsequent changes.</p> <p>Other types of well-informed investors: national marketing rules apply.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p>	<p>National marketing rules.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p> <p><i>If the SICAR does not qualify as an AIF, no marketing is normally done.</i></p>

* A SIF/SICAR that does not qualify as an AIF is subject to the same requirements as a SIF/SICAR with a registered AIFM, except where specifically mentioned in italics.

SICAR with authorised AIFM*	RAIF only with authorised AIFM
No.	No.
Yes.	Yes via its AIFM
<p>Yes. Twice a year, on 30 June and 31 December with due date 45 calendar days subsequent to the reference date of the report.</p> <p>Annually with due date 6 months after year-end.</p> <p>Details on reporting contained in CSSF circular 08/376.</p> <p>Internally-managed company (authorised AIFM): details on reporting contained in article 22 of the AIFM law.</p>	<p>No reporting to the CSSF by the RAIF but via its AIFM.</p>
<p>Formation of a SICAR is not subject to approval of the CSSF.</p> <p>An authorisation file must be submitted to the CSSF within the month following the formation of the SICAR. The authorisation will be granted subject to:</p> <ul style="list-style-type: none"> • Approval of the constitutive documents, prospectus and main agreements with service providers; • Notification of the directors of the SICAR; • Approval of the choice of depositary, auditor and AIFM. 	<p>The creation, launch, documentation, activities and termination of the RAIF are not subject to the approval of, or any supervision by, the CSSF.</p> <p>The RAIF has to be managed by an authorised AIFM.</p>
<p>Professional investors: regulator-to-regulator for initial notification and subsequent changes.</p> <p>Other types of well-informed investors: national marketing rules apply.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p>	<p>Professional investors: regulator-to-regulator for initial notification and subsequent changes.</p> <p>Other types of well-informed investors: national marketing rules apply.</p> <p>Marketing may also be performed by a non-EU AIFM based on national marketing rules.</p>

Taxation

	UCITS ("Part I Fund")	Part II Fund with registered AIFM
Income tax	Tax exempt.	Tax exempt.
Withholding tax on dividends and capital gains	Not subject to withholding tax.	Not subject to withholding tax.
Subscription tax	<ul style="list-style-type: none"> • 0.05% of NAV, except: 0.01% of NAV for money market funds, cash funds or share-classes of UCIs reserved to one or more institutional investors. • Exemption for special institutional money market funds, pension funds, exchange traded funds, microfinance funds and funds investing in other funds already subject to the subscription tax. 	<ul style="list-style-type: none"> • 0.05% of NAV, except: 0.01% of NAV for money market funds, cash funds or share-classes of UCIs reserved to one or more institutional investors. • Exemption for special institutional money market funds, pension funds, exchange traded funds, microfinance funds and funds investing in other funds already subject to the subscription tax.
Net wealth tax	Tax exempt.	Tax exempt.
Capital duty	No proportional capital duty.	No proportional capital duty.
Value added tax (VAT)	VAT exemption on management services.	VAT exemption on management services.
Double Taxation Treaties (DTT)	<p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. - A. n° 61 dated 8 December 2017.</p>	<p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. - A. n° 61 dated 8 December 2017.</p>

Part II Fund with authorised AIFM	SIF with registered AIFM
Tax exempt.	Tax exempt.
Not subject to withholding tax.	Not subject to withholding tax.
<ul style="list-style-type: none"> • 0.05% of NAV, except: 0.01% of NAV for money market funds, cash funds or share-classes of UCIs reserved to one or more institutional investors. • Exemption for special institutional money market funds, pension funds, exchange traded funds, microfinance funds and funds investing in other funds already subject to the subscription tax. 	<ul style="list-style-type: none"> • 0.01% of NAV annually. • Tax exemption possible for certain money market, microfinance funds and pension funds or SIFs investing in other funds already subject to subscription tax.
Tax exempt.	Tax exempt.
No proportional capital duty.	No proportional capital duty.
VAT exemption on management services.	VAT exemption on management services.
<p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. - A. n° 61 dated 8 December 2017</p>	<p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. - A. n° 61 dated 8 December 2017.</p>

	SIF with authorised AIFM	SICAR with registered AIFM	
Income tax	Tax exempt.	<ul style="list-style-type: none"> • Tax exemption for income and capital gain derived from transferable securities connected with investments in risk bearing capital; • Tax exemption for one year for income on cash held for the purpose of a future investment; • The remaining income is subject to the ordinary income tax of 26.01 % (Municipal Business Tax + Corporate Income Tax - Luxembourg city 2018). 	
Withholding tax on dividends and capital gains	Not subject to withholding tax.	Not subject to withholding tax.	
Subscription tax	<ul style="list-style-type: none"> • 0.01% of NAV annually. • Tax exemption possible for certain money market, microfinance funds and pension funds or SIFs investing in other funds already subject to subscription tax. 	No subscription tax.	
Net wealth tax	Tax exempt.	Only subject to minimum net wealth tax.	
Capital duty	No proportional capital duty.	No proportional capital duty.	
Value added tax (VAT)	VAT exemption on management services.	VAT exemption on management services.	
Double Taxation Treaties (DTT)	<p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. - A. n° 61 dated 8 December 2017.</p>	SICAR in the form of a corporate entity (all types except the SCS and SCSp) should benefit from the Luxembourg double tax treaty network.	

SICAR with authorised AIFM	RAIF only with authorised AIFM
<ul style="list-style-type: none"> • Tax exemption for income and capital gain derived from transferable securities connected with investments in risk bearing capital; • Tax exemption for one year for income on cash held for the purpose of a future investment; • The remaining income is subject to the ordinary income tax of 26.01 % (Municipal Business Tax + Corporate Income Tax - Luxembourg city 2018). 	<p>If the RAIF does not invest in a portfolio of risk capital (such as a SICAR): tax exemption on income tax.</p> <p>If the RAIF invests in a portfolio of risk capital (such as a SICAR):</p> <ul style="list-style-type: none"> • Tax exemption for income and capital gain derived from transferable securities connected with investments in risk bearing capital; • Tax exemption for one year for income on cash held for the purpose of a future investment; • The remaining income is subject to the ordinary income tax of 26.01 % (Municipal Business Tax + Corporate Income Tax - Luxembourg city 2018).
Not subject to withholding tax..	Not subject to withholding tax.
No subscription tax.	<p>If the RAIF does not invest in a portfolio of risk capital (such as a SICAR):</p> <ul style="list-style-type: none"> • 0.01% of NAV annually; • Tax exemption possible for certain money market, microfinance funds and pension funds or RAIFs investing in other funds already subject to subscription tax. <p>If the RAIF invests in a portfolio of risk capital (such as a SICAR): no subscription tax.</p>
Only subject to minimum net wealth tax.	Only subject to minimum net wealth tax if the RAIF does invest in a portfolio of risk capital (such as a SICAR).
No proportional capital duty.	No proportional capital duty.
VAT exemption on management services.	VAT exemption on management services.
SICAR in the form of a corporate entity (all types except the SCS and SCSp) should benefit from the Luxembourg double tax treaty network.	<p>A RAIF investing in a portfolio of risk capital (such as a SICAR) and set up in the form of a corporate entity (all types except the SCS and SCSp) should benefit from the Luxembourg double tax treaty network.</p> <p>The following applies to a RAIF not investing in a portfolio of risk capital (such as a SICAR) and set up as a:</p> <p>FCP No access to DTT signed by Luxembourg; exception: Ireland.</p> <p>SICAV/SICAF Limited to some DTTs. Applicability of DTTs is determined based on the Circular Letter L. G. – A. n° 61 dated 8 December 2017.</p>

Glossary of terms

Articles	Articles of incorporation of a company/fund.
AIF	Alternative Investment Fund: a collective investment undertaking, including investment compartments thereof, which: a) raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and b) do not require authorisation pursuant to Article 5 of Directive 2009/65/EC (the UCITS Directive)
AIFM	Alternative Investment Fund Manager: legal persons whose regular business is managing one or more AIFs.
AIFMD	Directive 2011/61/EU of the European Parliament and the council of 8 of June 2011 on alternative investment fund managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010.
AIFM Law	Law of 12 July 2013 on Alternative Investment Fund Managers, transposing Directive 2011/61/EU.
Authorised AIFM	Any entities qualifying as an AIFM fall under the authorisation regime and have to be authorised under Chapter 2 of the AIFM Law, unless they can benefit from the registration regime referred to below.
Closed-ended fund	A fund which is not open to redemptions.
Commercial Law	The Law dated 10 August 1915 on commercial companies, as amended.
Constitutive documents	Constitutive documents correspond to the <i>Statuts</i> (Articles of incorporation of a Company for an SA, SCoSA, SCA and Sàrl) or to the <i>Contrat Social</i> (partnership agreement for a SCS and SCSp).
CSSF	<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg financial supervisory authority.
DTT	Double Taxation Treaties.
EPM	Efficient Portfolio Management.
ETF	Exchange-Traded Fund.
FCP	<i>Fonds Commun de Placement</i> , an unincorporated co-ownership of assets managed by a management company.
IFRS	International Financial Reporting Standards.
IOSCO	International Organization of Securities Commissions.
Internally-managed (AIF)	AIFs should be deemed internally managed when the management functions are performed by the governing body or any other internal resource of the AIF.
KIID	Key Investor Information Document: pre-sale document of two pages, written in plain language.
Lux GAAP	Generally Accepted Accounting Principles applicable to investment funds in Luxembourg.
MMF	Money Market Fund.
NAV	Net Asset Value.
Offer to the public	The meaning of <i>offer to the public</i> within the context of the Prospectus Directive: a communication that is addressed in any form or by any means to individuals and containing sufficient information on the conditions of the offer and on the shares offered, so that the investor is in a position to decide on the purchase or subscription of those shares; this definition also applies to the placement of shares by financial intermediaries
Open-ended fund	A fund that is open to redemptions.
OTC	Over-the-counter.

Part I fund	A fund that complies with Part I of the law of 17 December 2010 as amended, also referred to as UCITS (Undertakings for Collective Investment in Transferable Securities).
Part II fund	A fund that complies with Part II of the law of 17 December 2010 as amended.
Professional investors	Investors who are considered to be professionals or who on request may be treated as professionals, within the meaning of Annex II to the Directive 2004/39/EC.
Prospectus Directive	Directive 2003/71/EC (amending Directive 2001/34/EC) on the prospectus to be published when securities are offered to the public or admitted to trading, as transposed into Luxembourg law.
RAIF law	Law of 23 July 2016 on Reserved Alternative Investment Funds.
Registered AIFM	As a derogation from the authorisation regime, entities qualifying as below-threshold AIFMs are subject to the registration regime under article 3(3) of the AIFM law, i.e. AIFMs whose AIFs' assets under management do not in total exceed the following thresholds: (i) EUR 100 million, including assets acquired through use of leverage; (ii) EUR 500 million, when the portfolio of assets managed consists of AIFs that are not leveraged and have no redemption rights exercisable during a period of five years following the date of the initial investment in each AIF.
Réviseur d'entreprises agréé	Approved statutory auditor.
SA	<i>Société Anonyme</i> (public limited company).
Sàrl	<i>Société à Responsabilité Limitée</i> (private limited company).
SCA	<i>Société en Commandite par Actions</i> (partnership limited by shares).
SCoSA	<i>Société Coopérative organisée comme une Société Anonyme</i> (cooperative company organised as a public limited company).
SCS	<i>Société en Commandite Simple</i> (limited partnership).
SCSp	<i>Société en Commandite Spéciale</i> (limited partnership without legal personality).
SIAG	Investment company which has not designated a management company (i.e. self-managed investment company as <i>société d'investissement autogérée</i>).
SICAF	<i>Société d'Investissement à Capital Fixe</i> (investment company with fixed capital).
SICAR	<i>Société d'Investissement en Capital à Risque</i> (investment company in risk capital), compliant with the law of 15 June 2004.
SICAV	<i>Société d'Investissement à Capital Variable</i> (investment company with variable capital).
SIF	Specialised Investment Fund, compliant with the law of 13 February 2007, as amended.
UCITS	Undertakings for Collective Investments in Transferable Securities.
Well-informed investor	A well-informed investor must be one of the following: <ul style="list-style-type: none"> • An institutional investor: Undertakings and organisations that manage a significant number of funds and assets. This concept covers inter alia credit institutions and other financial sector professionals, insurance and re-insurance undertakings, welfare institutions and pension funds, industrial and financial groups and structures put in place by these entities to manage an important amount of funds and assets. • A professional investor: Any professional investor within the meaning of Annex II to Directive 2004/39/EC on markets in financial instruments. • An investor who has adhered in writing to the status of well-informed investor and complies with one of the following conditions: <ul style="list-style-type: none"> - invests at least EUR 125,000 in the fund/company; - has expertise that has been confirmed by a banking institution as defined in Directive 2006/48/EC, by an investment firm as defined in Directive 2004/39/EC or by a management company as defined in Directive 2009/65/EC.



The Association of the Luxembourg Fund Industry (ALFI), the representative body for the Luxembourg investment fund community, was founded in 1988. Today it represents more than 1 400 Luxembourg-domiciled investment funds, asset management companies and a wide variety of service providers including depository banks, fund administrators, transfer agents, distributors, law firms, consultants, tax advisers, auditors and accountants, specialist IT providers and communications agencies.

Luxembourg is the largest fund domicile in Europe and its investment fund industry is a worldwide leader in cross-border fund distribution. Luxembourg-domiciled investment structures are distributed in more than 70 countries around the globe, with a particular focus on Europe, Asia, Latin America and the Middle East.

ALFI defines its mission as to **“Lead industry efforts to make Luxembourg the most attractive international investment fund centre”**.

Its main objectives are to:

Help members capitalise on industry trends

ALFI's many technical committees and working groups constantly review and analyse developments worldwide, as well as legal and regulatory changes in Luxembourg, the EU and beyond, to identify threats and opportunities for the Luxembourg fund industry.

Shape regulation

An up-to-date, innovative legal and fiscal environment is critical to defend and improve Luxembourg's competitive position as a centre for the domiciliation, administration and distribution of investment funds. Strong relationships with regulatory authorities, the government and the legislative body enable ALFI to make an effective contribution to decision-making through relevant input for changes to the regulatory framework, implementation of European directives and regulation of new products or services.

Foster dedication to professional standards, integrity and quality

Investor trust is essential for success in collective investment services and ALFI thus does all it can to promote high professional standards, quality products and services, and integrity. Action in this area includes organising training at all levels, defining codes of conduct, transparency and good corporate governance, and supporting initiatives to combat money laundering.

Promote the Luxembourg investment fund industry

ALFI actively promotes the Luxembourg investment fund industry, its products and its services. It represents the sector in financial and in economic missions organised by the Luxembourg government around the world and takes an active part in meetings of the global fund industry.

ALFI is an active member of the European Fund and Asset Management Association, of the European Federation for Retirement and of the International Investment Funds Association.

To keep up to date with all the news from the association and the fund industry in Luxembourg, join us on [LinkedIn](#) (The Luxembourg Fund Industry Group by ALFI), [Twitter](#) (@ALFI-funds), [Youtube](#), [Vimeo](#) or visit our website at www.alfi.lu.





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| Luxembourg investment vehicles