

Set-up of a PSF in Luxembourg

Applying for a PSF licence

Starting a business as a Professional of the Financial Sector (PSF) in Luxembourg means that you need to apply for authorisation with the Ministry of Finance. The authorisation will be granted after the Luxembourg regulator, the “Commission de Surveillance du Secteur Financier” (CSSF) gives its agreement.



A *PSF* is a legal person who has been granted authorisation to perform, as a regular occupation, an activity of the financial sector (whether direct, connected or complementary) in accordance with the amended Law of 5 April 1993 on the financial sector.

In practice, PSF is a generic label which encompasses a wide variety of legal licenses (or “status”): from traditional actors of the financial sector, such as investment firms (private portfolio managers, investment advisers, etc.), to highly technical service providers, such as IT firms or operators offering digitisation/e-archiving services designated as Support PSF. Depending on their activity and the risks they are likely to face, the intensity of the applicable rules will vary.

Our services

PwC Luxembourg can assist you with all the tasks related to your application as a PSF.

Preparation of the application to be addressed to the regulator

We help you define and assess your request from a regulatory perspective. We can introduce you and your project to the CSSF and further assist you in the preparation of your application and its formal filing to the CSSF until you receive approval from the CSSF and the Ministry of Finance.

Description of the IT set-up*

We can help you draft and review the description of your IT set-up, taking into account the specific regulatory requirements related to the outsourcing to **third or related party** service providers.

Definition of your business plan*

Based on your assumptions, we will define and build a three-year business plan, including the calculation of forecasted prudential capital requirements and ratios.

Assistance in the preparation of your Anti-Money Laundering and counter financing procedure*

Incorporation of a private company in Luxembourg

We can assist you in preparing the required documentation, including the preparation of ad hoc incorporation documents. Once your application is complete, we can coordinate with the applicant regarding the enactment of the incorporation deed and ensure the follow-up of the registration, filing and publication formalities, etc.

Recruitment services

Should you need to recruit people for middle to top management* positions including CEO, Deputy CEO, and according to the PFS status required, Chief Compliance Officer and Chief Risk Officer, etc., we can help you select and screen candidates using our PwC Luxembourg research database, our PwC global network and our advertising capacities, or advertisement on our website: www.pwc.lu and online job boards.

We keep a permanently updated database of profiles from a variety of areas such as Finance, Risk Management, HR, Accounting and Compliance, including Independent Administrators.

Project Management

We can coordinate the project with you, establishing a timeline with milestones, organising meetings, etc.

* Mandatory items to be included in the application file

Timeline

The authorisation procedure is described in the amended Law of 5 April 1993. The standard procedure when applying for a PSF licence is first to submit your application to the CSSF and thereafter to the Ministry of Finance.

Before taking a formal decision to set up a PSF operation in Luxembourg, it is advisable that senior representatives of the company have an introductory meeting with the CSSF in order to give a general overview of the project. The CSSF will examine the application and may address additional queries to the applicant. The Ministry of Finance will seek advice from the CSSF before granting the PSF licence for an unlimited duration.

The usual timeframe of the process is as follows:



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