





Agenda



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Luxembourg toolbox for alternative investments



Making the right choice

Luxembourg, the right place for your alternative investment funds

For many years, the Grand Duchy has been the main European centre for investment funds, second to the US only. The country is also equipped, from a regulatory and legal standpoint, to address the growing investors' focus on alternative investments, and is now one of the main alternative investment fund centres, attracting global investors and asset managers.

A large range of choices

The Luxembourg alternative investment toolbox proposes a large choice of regulations and legal forms. Understanding their key features and ensuring they fit your and your investors' needs. From high regulation to almost none, from corporate to contractual forms, from tax opaque to tax transparent structures, the initial set-up of your investment fund could be complex, but it will secure your structure for the coming years.

Key considerations

Investors

Who are you targeting?

Would your investors prefer tax transparent or opaque structures?

Do they request a supervised or regulated fund in order to comply with their investments' requirements?

What are their liquidity needs?

Investments

What is your investment policy?

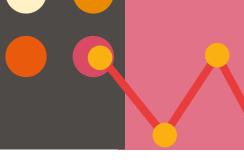
How to structure a sustainable and efficient investment platform, compliant with latest global tax standards?

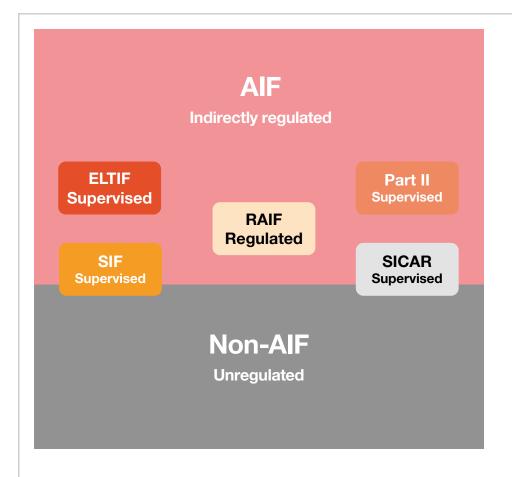


Regulatory environment









Supervised fund

The fund is subject to a specific law and the prospectus of the fund must be approved by the CSSF

Regulated fund

The fund is subject to a specific law, but no approval of prospectus by the CSSF

Unregulated fund

No specific law applicable, falls under the Luxembourg corporate law

Indirectly regulated fund

The fund is subject to AIFMD rules applicable to the AIFM.

SIF and SICAR could not qualify as an AIF if there is only a single investor

AIF

The management company of the AIF shall comply with AIFMD and be supervised by an EU supervisory authority.

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Choosing the right regulation Investors Well Retail investors informed investors Investments in EU Supervised fund? long-term assets? YES YES NO NO Investment in Regulated fund capital at risk? **ELTIF** Part II YES YES NO NO Fall under the AIFMD **RAIF SICAR** SIF scope? YES NO **AIF** Non-AIF

Regulation comparison

	Part II	ELTIF	SIF	SICAR	RAIF	Al	AIF		Non-AIF	
	Part II	ELIIF	ЭІГ	SICAN	HAIF	Corporate	SCSp	Corporate	SCSp	
Legal framework										
CSSF supervision	Yes					No				
Legal form	Corporate or contractual			Corporate*	Corporate or contractual	Corporate	Contractual	Corporate	Contractual	
Multiple compartments	Possible					Not possible				
Investments										
Risk diversification	Yes No				Yes (except if RAIF SICAR)	No				
Eligible assets	Unrestricted	Long-term assets	Unrestricted	Capital at risk	Unrestricted (except if RAIF SICAR)	Unrestricted				
Investors and capita	al accounts									
Eligible investors	Retail (with minimum investment threshold) Retail (with minimum Well informed investors			3	Professional investors Determined by local distribution rule			l distribution rules		
Capital	Variable / Fixed					Fixed	Determined by LPA	Fixed	Determined by LPA	
Minimum capital (in EUR million)	1,25	None	1,25	1	1,25	Based on legal form	None	Based on legal form	None	
Share classes	Possible									
Dividend	No restriction within the minimum capital limit					Based on legal form	Determined by LPA	Based on legal form	Determined by LPA	

^{*} SICARs can also be established in the form of a special limited partnership.

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Regulation comparison



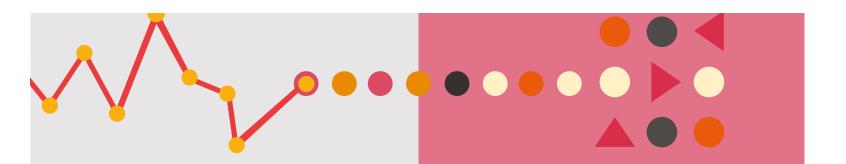


	Part II	ELTIF	SIF	SICAR	RAIF	RAIF		Non-AIF		
	raitii	E.C. IF	Sir	SICAN		Corporate	SCSp	Corporate	SCSp	
Distribution										
EU passport	Yes to professional investors only if managed by an				an authorised EU Al	n authorised EU AIFM			No	
Private placement	Possible, depending on regulation of each jursidiction where the fund is distributed									
Accounting and tax	x									
Listing	Possible Possible, subject to specifi			subject to specific	conditions		ssible			
Filing of accounts with CSSF		Yes - filing v	Yes - filing with CSSF No - filing with the financial regulator of the EU AIFM				No			
NAV frequency	Monhtly		At least, once a year					No requirement		
Accounting framework		Lux GAAP or IFRS as adopted by the EU			Lux GAAP or IFRS as adopted by the EU (or any GAAP, in accordance with LPA, for SCSp)	Lux GAAP or IFRS as adopted by the EU	Any GAAP, in accordance with LPA	Lux GAAP or IFRS as adopted by the EU	Any GAAP, in accordance with LPA	
Audit requirement			Yes					Based on legal form and size	Determined by LPA	
Consolidation exemption		Yes				No	Determined by LPA	No	Determined by LPA	
Taxation	Subscription tax Tax exempt			Subscription tax	General tax regime	Tax transparent	General tax regime	Tax transparent		
Compulsory service providers										
AIFM	Re	quired	Required (unless if the fund does not qualify as an AIF) Required				Not required			
Depositary bank	Required						Not required			

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Legal form comparison

			Contractual form					
	SA	SCA	Sarl	scs	SCSp	FCP		
Constitution		Full published notaria	al deed	Private or notarial deed, with published extract		Full published management regulations		
Legal personality			Yes		No			
Minimum capital (in EUR)	30,000 12,000			None		1,250,000		
Contribution in cash or in kind	Allowed							
Transfer of shares	Freely transferrable	Transferrable	e, upon conditions	Determined	Determined by management regulations			
Partners/Shareholders	At least 1	At least 2 (GP + LP)	1 to 100	At least 2	At least 1			
Financial liability	Limited to the contribution	LP (limited to the contribution) & GP (unlimited)	Limited to the contribution	LP (limited to the contribution) & GP (unlimited)		Limited to the contribution		
Governing body	Board of directors	GP	Board of managers	G	P	Management company		
Filing of accounts with Luxembourg Trade Register		Yes		Yes if all GPs are SA/SCA/Sarl	ı	No		



Spotlight on RAIFs and SCSps

How we can help



Number of accumulated RAIFs

September 2024

2,673

October 2024

2,696

November 2024

2,730

December 2024

2,758

Number of active SCSps

September 2024

10,665

October 2024

10,837

November 2024

10,953

December 2024

11,057

Source: RCSL RAIF official list, PwC analysis

Source: RCSL - Statistiques de dépôt, PwC analysis

Launched in 2016, the Reserved Alternative Investment Fund (RAIF), is a flexible, multipurpose alternative investment fund. This AIFMD-compliant and non-supervised by the CSSF product can be marketed quickly.

Launched in 2013, the SCSp (Luxembourg special limited partnership, Société en Commandite Spéciale), is the Luxembourgish equivalent of the Anglo-Saxon LP, successful for Alternative investments.

From the set-up of the structure and throughout its entire life cycle, we're by your side at each stage.

Strategy and market analysis

- In-depth market analysis
- Definition of your strategic targets
- Design of a strategic roadmap
- Service provider selection

Global Fund Distribution

- Distribution strategy and set-up
- Advice on local EU rules for cross-border distribution
- Compliance with reporting related to distribution
- Distributor due diligence
- Publication requirements

Fund Structuring

- Regulation choice and fund structuring
- Fund documentation and set-up process
- Tax product design and choice of the legal structure
- Tax advice and monitoring of targeted portfolio taxation

Accounting and reporting

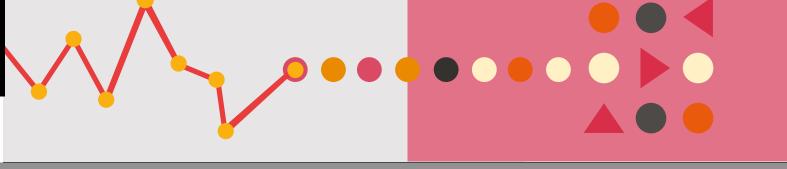
- Corporate tax compliance and accounting
- Tax information reporting
- Periodical reports and financial statements
- Corporate secretary

Other services

- Audit
- Risk assurance and controls report
- ESG & sustainability

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Glossary



AIF

Alternative Investment Fund, as prescribed by AIFMD

AIFM

Alternative Investment Fund Manager

AIFMD

Alternative Investment Fund Manager Directive

ELTIF

European Long Term Investment Fund

FCP

Fonds Commun de Placement

GP/LP

General Partner/Limited Partner

LPA

Limited Partnership Agreement

PART II

Investment fund regulated by the 2010 Law

Professional investors

Investors with the meaning of Annex II to the Directive 2004/39/ EC

RAIF

Reserved Alternative Investment Fund

SA

Société Anonyme

Sarl

Société à Responsabilité Limitée

SCS

Société en Commandite Simple (limited partnership)

SCSp

Société en Commandite Spéciale (special limited partnership)

SCA

Société en Commandite par Actions (corporate partnership)

SICAR

Société d'Investissement en Capital à Risque – Investment Company in Capital at Risk

SIF

Specialised Investment Fund

Well informed investors

Institutional or professional investors, or any other investors investing at least 125.000€

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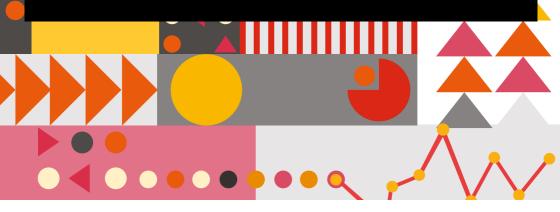
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