



SIF

SPECIALISED INVESTMENT FUND

DESCRIPTION

A specialised investment fund ("SIF") is a regulated investment vehicle designed for sophisticated investors, that provides a great deal of flexibility in the form of organisation, investment policy and the types of underlying assets in which it can invest.

CARACTERISTICS

Legal form

A SIF may take different legal forms that can be open-ended or closed-ended:

- **FCP** common fund governed by a contractual arrangement;
- **SICAV** investment company with variable capital;
- **S.à r.l.** private limited liability company;
- **S.A.** public limited liability company;
- **SCA** a partnership limited by shares;
- **SCSA** cooperative company in the form of a public limited liability company;
- Any other legal regime available under Luxembourg law.

Supervisory authority

The SIF is subject to supervision by the Commission de Surveillance du Secteur Financier (CSSF).

Authorization requirement

As a regulated vehicle, the SIF must be approved by the Luxembourg supervisory authority. The authorisation will be

granted subject to:

- Articles or Management Regulations;
- Prospectus and main agreements with service providers;
- Directors of the fund or managers of the Management Company;
- Choice of Depositary and Auditor;
- Confirmation of supervision by regulatory authority of Investment Manager and Investment Advisor (if any).

Capital requirement

The net assets of a SIF may not be less than 1 250 000 Euro. Only 5% of the capital needs to be paid up on subscription.

If the SICAV/SICAF is incorporated as:

- A public limited company (SA) or a partnership limited by shares (SCA), the SIF must have a minimum capital of 31 000 Euro upon incorporation;
- A private limited company (Sàrl), the SIF must have a minimum capital of 12 500 Euro upon incorporation.

Legal and regulatory framework

Law of 13 February 2007 relating to specialized investment funds, as amended. In case of SIFs qualifying as AIF, law of 12 July 2013 on alternative investment fund managers.

Regular reporting to CSSF

Monthly with due date the 10th of the following month based on the latest available NAV (when NAV is not calculated monthly). Audited annual report with due date six months after year-end.



Central administration

The central administration of a SIF must be in Luxembourg, but certain functions may be outsourced to a third party. A risk-management process must be employed which enables the SIF to monitor and measure at any time all the material risk of its positions.

Depository Bank

The SIF must appoint a Luxembourg credit institution as depository bank, which is responsible for both the safekeeping of assets and the supervision of the fund.

Eligible investors

Investment in a SIF is reserved for “well-informed” investors. Pursuant to article 2 of the SIF Law “well-informed” investors comprise:

- Institutional investors;
- Professional investors;

and other investors who confirm in writing that they adhere to the status of “well-informed” investors and who either:

- (i) invest a minimum of EUR 125,000 or
- (ii) have been assessed by a credit institution, an investment firm or a management company which certifies the investors’ ability to understand the risks associated with investing in the SIF.

External auditing

The fund or its management company prepares an annual report which should be audited by an authorised external auditor with appropriate professional experience. There is no obligation to produce a semi-annual report.

Cross-border distribution in E.U.

SIFs do not benefit from a European passport and local authorisation is required. In case of SIFs qualifying as AIF, European passport applies subject to notification to the host Member State authority.

OUR SERVICES

Fund structuring:

SELECTRA determines the optimal fund structure to be set-up, defining the legal documentation and handling the approval of the fund with the CSSF.

Management Company:

SELECTRA acts as Management Company for third party funds, providing administrative, distribution, marketing and risk management services.

Services supply:

SELECTRA provides independent fund servicing for third party self-managed funds, supporting their governance.

Fund distribution:

SELECTRA acts as fund distributor due to its European passport supporting funds structuring marketing in different countries.

SELECTRA supports you to develop and administrate your SICAV, your SIF and your SICAR with an all-inclusive service, providing flexible solutions for your dedicated fund including a global distribution, with an efficient time-to-market and affordable costs.

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