

BILL N°6936 AMENDING THE LEGISLATION APPLICABLE TO PART-II FUNDS, SIFs AND SICARS

The draft law 6936 (the « Bill ») was filed with the Luxembourg Parliament on 18 January 2016. The proposed law, once enacted, will have an impact on the law of June 15th 2004 on SICARs, the law of February 13th 2007 on SIFs, the law of December 17th 2010 on UCIs and the law of July 12th 2013 on AIFMs.

- The principal aim of the Bill is to revise the scope of the SIF Law in order to enhance investor protection, in view of the increasing number of SIFs investing in atypical assets such as art, wine, diamonds or animals. Such assets, usually illiquid, may entail significant risks for investors. Consequently, the Bill proposes to maintain the current regime for SIFs whose units are reserved to professional investors as set forth in the MiFID II Directive. Hence, those vehicles will be entitled to continue to invest in all types of assets.
- However, concerning the SIFs accessible to investors other than professional investors, the CSSF will determine the type of eligible assets in which such funds may invest by way of a regulation. Likewise, the Bill empowers the CSSF to issue a regulation which will determine the types of eligible assets for UCIs under Part II of the law of December 17th 2010. The Bill provides that such CSSF regulation may provide for exemption for SIFs and Part II UCIs or their sub-funds, which, as per the provisions of their issuing document, were authorized to invest in non-eligible assets before the entry into force of the regulations.
- Furthermore, the Bill aims to authorize closed-ended UCIs under Part II of the UCI Law to issue units/shares at a price other than the price based on their net asset value.
- Finally, the bill updates the SICAR law in order to align its provisions with the SIF Law and updates some definitions contained in the law of July 12th 2013 on AIFMs.

[Click here to access to the website of the Luxembourg Chamber of Deputies \(in French\)](#)



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