



CHEVALIER & SCIALES
LUXEMBOURG LAW FIRM

Comparison table of Luxembourg investment vehicles

2026



MONTEREY INSIGHTS: LUXEMBOURG FUND REPORT 2024

Chevalier & Scales has been ranked in the top quintile for client retention among Luxembourg fund service providers. The latest affinity rankings from Monterey Insights and Paperjam shows that our firm has been recognized in the 1st quintile for client retention among Luxembourg fund service providers between 31 December 2019 and 31 December 2023.

Monterey Insight's comprehensive analysis evaluated Luxembourg's fund service providers, including legal advisors, administrators, custodians, management companies (mancos), and transfer agents, focusing on "affinity" or client retention rates. The research specifically examined how frequently investment fund firms change service providers (e.g., legal advisors, custodians).

According to the article of Paperjam, 'There are many factors which impact affinity, but this quantitative analysis attempts to provide some insight into which service providers perform the best—defined as retaining more funds—and those that fare less well.'



'The team has an impressive track record in advising on the structuring and launch of various investment funds, including alternative investment funds, UCITS, and specialized investment funds. They have successfully assisted clients with complex fund formations, regulatory compliance, and operational matters across different asset classes.'



'Chevalier & Sciales' commercial litigation practice has resolved high-stakes disputes, including a precedent-setting €500 million enforcement case under the New York Convention and complex shareholder conflicts in investment funds. The team secured landmark rulings at Luxembourg's Court of Appeal and Supreme Court, overturning decisions that violated procedural rights under the European Convention on Human Rights.'

OTHER 2025 RANKINGS:

Private equity

Corporate tax

International arbitration

Restructuring & Insolvency

Mergers & Acquisitions

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Comparison table of Luxembourg investment vehicles //

This table shows at a glance the most important features of the Luxembourg investment vehicles. It includes UCITS, Part II funds, SIFs, SICARs, RAIFs, SPFs, securitisation vehicles, unregulated common and special limited partnerships (SCS/SCSp) as well as ordinary Luxembourg companies (soparfis). It covers aspects such as eligible investors and assets, AIFMD status, regulatory oversight,

service provider requirements, sub-funds and taxation.



Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Applicable legislation	Law of 17 December 2010 - Part I, as amended from time to time ("UCITS Law")	Law of 17 December 2010 - Part II, as amended from time to time ("UCI Law")	Law of 13 February 2007, as amended from time to time ("SIF Law")	Law of 15 June 2004, as amended from time to time ("SICAR Law")	Law of 23 July 2016, as amended from time to time ("RAIF Law")	Law of 11 May 2007, as amended from time to time ("SPF Law")	Law of 22 March 2004, as amended from time to time ("Securitisation Law")	Law of 10 August 1915, as amended from time to time ("Company Law")	Law of 10 August 1915 on commercial companies, as amended from time to time ("Company Law")
Authorisation and supervision by the CSSF	Yes.	Yes.	Yes.	Yes.	No.	No.	No, unless issue on a continuous basis of financial instruments offered to the public. The securitisation vehicle issues on a continuous basis when it carries out more than three issuances of financial instruments offered to the public during the financial year. All the issuances by the compartments should be added up. The issuance of financial instruments is offered to the public when it is not intended for professional clients, the denominations are less than 100,000 euros and it is not distributed as private placement.	No.	No.



Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Qualification as an AIF	No.	Always an AIF.	Yes, unless it falls outside the AIF definition (i.e. it does not 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).	Yes, unless it falls outside the AIF definition (i.e. it does not 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).	Always an AIF.	In principle, no (as it would not be considered as "raising" capital from a number of investors as the structure generally serves for the investment of the private wealth of a "pre-existing group" (as defined in the Esma guidelines on key concepts of the AIFMD)).	No, in case - such vehicle meets the definition of "securitisation special purpose vehicle" under the AIFM Law; - it issues collateralised debt obligations; - it only issues debt instruments; - such entity is not managed according to an investment policy within the meaning of the AIFM Law.	Non-AIF, unless activities fall within the scope of article 1 (39) of the AIFM Law.	Non-AIF, unless activities fall within the scope of article 1 (39) of the AIFM Law.
Exemption from AIFMD full regime under lighter regime (AIFMD registration regime)	Not applicable.	Possible.	Possible.	Possible.	No.	Not applicable.	Possible.	Possible.	Possible.
External authorised AIFM requirement	Not applicable.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Always required.	Not applicable.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.	Required in case the entity is an AIF that is not self-managed and above the AIFMD threshold.



Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Eligible investors	Unrestricted.	Unrestricted.	Well-informed investors, namely institutional or professional investors (MiFID II), or other investors who confirm their status in writing and either invest at least EUR 100,000 or are assessed by a credit institution, investment firm, UCITS ManCo or authorised AIFM as having sufficient expertise, experience and knowledge.	Well-informed investors, namely institutional or professional investors (MiFID II), or other investors who confirm their status in writing and either invest at least EUR 100,000 or are assessed by a credit institution, investment firm, UCITS ManCo or authorised AIFM as having sufficient expertise, experience and knowledge.	Well-informed investors, namely institutional or professional investors (MiFID II), or other investors who confirm their status in writing and either invest at least EUR 100,000 or are assessed by a credit institution, investment firm, UCITS ManCo or authorised AIFM as having sufficient expertise, experience and knowledge	Restricted to: - natural persons acting in the context of the management of their personal wealth; - management entities acting solely in the interest of the private wealth (e.g. trusts, private foundations); and intermediaries acting for the account of the above mentioned eligible investors (e.g. bank acting under a fiduciary agreement).	Unrestricted.	Unrestricted.	Unrestricted.



Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Eligible assets	Restricted to transferable securities admitted or dealt on a regulated market, investment funds, financial derivative instruments, cash and money market instruments that are in compliance with article 41 of the Ucits law and the relevant EU directives and regulations. Please note that the eligibility of the asset must be ascertained on a case-by-case basis in view of the applicable laws and regulatory practice.	Unrestricted. The investment objective and strategy of the fund is subject to the prior approval of the CSSF.	Unrestricted.	Restricted to investments in securities representing risk capital as specified in CSSF circular 25/901 which has replaced Circular 06/241.	Unrestricted, unless it invests in a portfolio of risk capital (such as a Sicar).	Restricted to acquisition, detention, management and realisation of financial assets. The SPF is not allowed to carry out commercial activities or to hold directly real estate (except for its own use or through its participations).	Unrestricted. The securitisation vehicle may acquire or assume, directly or through another undertaking, risks relating to claims, other assets, or obligations assumed by third parties or inherent to all or part of the activities of third parties and issues financial instruments or contracts, for all or part of it, any type of loan, whose value or yield depends on such risks.	Unrestricted.	Unrestricted.
				The circular clarifies the criteria applied by the CSSF when assessing whether investments pursued by a SICAR qualify as risk capital, notable the intention to develop the target entity, the existence of a specific risk going beyond mere market risk, an exit strategy and, where appropriate a degree of control or supervision.					
				A SICAR may use derivatives for hedging purposes or if such transactions are necessary to the realisation of its investment policy, as they are not used, in principle, to create value in itself or to contribute to the development of the target entity. The investment of a SICAR in real estate is only possible through intermediary vehicles (such as SPVs) or real estate funds. The underlying real estate assets must meet the criteria of risk capital set out in CSSF circular 25/901.					

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UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Risk diversification requirements	Risk diversification requirements are provided by articles 42 et seq. of the UCITS Law, e.g. (not exhaustive): - a UCITS may not invest more than 10% of its assets in transferable securities or money market instruments issued by the same body; - a UCITS may not invest more than 20% of its net assets in deposits made with the same body; - the global exposure relating to derivative instruments does not exceed the total net value of the UCITS portfolio.		Risk diversification requirements are set out in CSSF Circular 25/901. For SIFs and compartments thereof reserved for well-informed investors or professional investors, the following concentration limits apply: a maximum of 50% of assets may be invested in a single issuer, entity or asset.		No risk diversification requirements.		No risk diversification requirements.		
Legal Form	- FCP - SICAV (SA) - SICAF (SA, SCA) All of these entities must be open-ended.		- FCP - SICAV (SA, Sàrl, SCA, SCoSA, SCS, SCSp) - SICAF (SA, Sàrl, SCA, SCoSA, SCS, SCSp) The entities may be open-ended or closed-ended.		- SA - Sàrl - SCA - SCS - SCSp - SCoSA The entities may be open-ended or closed-ended.		- SA - Sàrl - SCA - SCoSA		A securitisation vehicle may be set up in one of the following forms: - a securitisation company (SA, Sàrl, SCS, SCSp, SENC, SCA, SAS, SCSA); or - a securitisation fund consisting of one or several co-ownerships or one or several fiduciary estates and managed by a management company.
Umbrella structure	Yes.		Yes.		Yes.		No.		

Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Capital requirements	FCP: EUR 1,250,000 to be reached no later than 6 months following the authorisation by the CSSF. Self managed SICAV / SICAF: EUR 300,000 at the date of authorisation and EUR 1,250,000 within 6 months following its authorisation.	FCP: EUR 1,250,000 to be reached no later than 6 months following the authorisation by the CSSF. Self managed SICAV / SICAF: EUR 300,000 at the date of authorisation and EUR 1,250,000 within 6 months following its authorisation.	EUR 1,250,000 to be reached no later than 24 months following the authorisation by the CSSF.	EUR 1,000,000 to be reached no later than 24 months following the authorisation by the CSSF.	FCP: EUR 1,250,000 to be reached within 24 months from the entry into force of the management regulations. SICAV: EUR 1,250,000 to be reached within 24 months from the incorporation of the SICAV.	Depends on the form: - SA / SCA: EUR 30,000 - Sàrl: EUR 12,000 - SCSA: no minimum capital.	If the securitisation vehicle is set up as a company, it depends on the form: - SA / SCA: EUR 30,000 - Sàrl: EUR 12,000 If the securitisation vehicle is set up as a fund, there is no minimum capital requirement.	No minimum capital requirement.	Depends on the form: - SA / SCA: EUR 30,000 - Sàrl: EUR 12,000 No minimum capital requirement for other legal forms.
Required service providers	- Management company in case of an FCP. - Depository institution. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor.	- Management company in case of an FCP. - Depository institution. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor. - Registered AIFM or Authorised AIFM in case of an AIF above threshold.	- Registered AIFM or authorised AIFM in case of an AIF above threshold. - Management company in case of an FCP. - Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor.	- Registered AIFM or authorised AIFM in case of AIF above threshold. - Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent. - Approved statutory auditor.	- Authorised AIFM. - Management company in case of an FCP - Depository bank or professional of the financial sector providing depository services, subject to conditions. - Administrative agent. - Registrar and Transfer Agent.	Registered auditor in principle not required unless two of the following criteria are met: (i) net turnover above EUR 8.8 million, (ii) balance sheet above EUR 4.4 million and (iii) average number of employees above 50. However, depending on the legal form of the company, there may be an obligation to appoint a <i>commissaire aux comptes</i>.	- Alternative Investment Fund Manager (if the securitisation vehicle qualifies as an AIF). - Management company (if the securitisation vehicle is set up in the form of a fund). - Independent auditor. - No depository institution (unless for regulated securitisation vehicles). - No administrative agent.	For SCS: - Alternative Investment Fund Manager (if the SCS qualifies as an AIF). - No requirement to appoint a depository (except if the SCS qualifies as an AIF and is managed by a duly authorised AIFM). For SCSp: - Alternative Investment Fund Manager (if the SCSp qualifies as an AIF). - No requirement to appoint a depository (except if the SCSp qualifies as an AIF and is managed by a duly authorised AIFM).	Registered auditor in principle not required unless the company is an AIF managed by an AIFM with AUM above the threshold or two of the following criteria are met: (i) net turnover above EUR 8.8 million, (ii) balance sheet above EUR 4.4 million and (iii) average number of employees above 50. However, depending on the legal form of the company, there may be an obligation to appoint a <i>commissaire aux comptes</i>. On 28 July 2023, draft bill 8286 (the Draft Bill) was released, aiming to overhaul Luxembourg accounting law applicable to undertakings (the New Law).



Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Possibility of listing	Yes.	Yes.	Yes.	Yes, but difficult in practice.	Yes.	No.	No.	In principle, no. The SCS/SCSp may however issue debt securities that are eligible to be listed on the stock exchange.	Yes.
European passport	Yes.	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.	Yes.	No.	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.	No, unless it falls under the scope of the full AIFMD regime.
Net asset value (NAV) calculation and redemption frequency	The UCITS must make public the issue, sale and repurchase price of their units each time they issue, sell and repurchase their units, and at least twice a month.	The UCIs must make public the issue, sale and repurchase price of their units each time they issue, sell and repurchase their units, and at least once a month.	At least once a year for reporting purposes.	Not required.	At least once a year for reporting purposes.	Not required.	Not required.	Not required.	Not required.



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UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Overall income tax (corporate income tax and municipal business tax)	No income tax.	No income tax.	No income tax.	General aggregate rate: 23.87%. In certain cases, reduced corporate income tax rates may apply. Income derived from transferable securities (e.g. dividends received and capital gains realised on the sale of shares) is exempt. Income on cash held for the purpose of a future investment is also exempt (for one year).	No income tax, unless investing only in risk capital, then SICAR tax regime applicable.	No income tax.	General aggregate rate for taxable securitisation companies: 23.87%. Securitisation vehicles should be able to deduct from their gross profits their operational costs and the dividends or interests distributed to the shareholders / creditors. Therefore securitisation companies should not generate significant taxable profits and should therefore to a large extent be tax neutral.	No corporate income tax applicable. Municipal business tax of 6.75% applicable in very limited circumstances, namely in case the SCS/SCSp (i) carries out a commercial activity or (ii) is deemed to carry out a commercial activity. A SCS/SCSp is deemed to carry out a commercial activity if its general partner is a Luxembourg public or private limited liability company holding at least 5% of the partnership interests. With a proper structuring of the GPs partnership interest it should be possible to avoid the deemed commercial characterisation of the SCS/SCSp.	General aggregate rate: 23.87%, but 100% exemption for dividends, liquidation proceeds and capital gains from qualifying participations.

Regulated			Lightly Regulated		Unregulated				
UCITS		Part II UCI	SIF	SICAR	RAIF	SPF	Securitisation vehicle	Unregulated SCS / SCSp	Ordinary Luxembourg company
Thin capitalization rules (debt-to-equity ratio)	Borrowings of up to 10% of net assets to finance redemptions (it should be a short term borrowing and cannot be for investment purposes) or to buy real estate for its business. The total borrowing under the above may not exceed 15% of net assets.	Borrowings of up to 25% of net assets without any restrictions are allowed.	No debt-to-equity ratio.	No debt-to-equity ratio.	No debt-to-equity ratio.	Tax of 0.25% on the debt that exceeds 8 times the paid-up capital increased by the issue premium.	No debt-to-equity ratio.	No debt-to-equity ratio.	No provision in Luxembourg law. However, there is a specific administrative practice.
Practical use	Highly regulated vehicle which can be sold through a EU passport to all types of investors (such as retail investors, professional investors, institutional investors).	Investment funds which could be used for investment strategies that do not meet the criteria set by the UCITS directives.	Hedge funds, private equity funds, venture capital funds, real estate funds, crypto funds, infrastructure funds, distressed debt funds, Islamic finance funds, microfinance funds, socially responsible investment funds, tangible assets funds and any other type of alternative funds.	Private equity and venture capital transactions.	Hedge funds, private equity funds, venture capital funds, real estate funds, crypto funds, infrastructure funds, distressed debt funds, Islamic finance funds, microfinance funds, socially responsible investment funds, tangible assets funds and any other type of alternative funds.	Individuals wishing to optimise their personal tax planning (private wealth management purposes).	• True sale and synthetic securitisations. • Securitisation of a portfolio of securities. • Securitisation as structure for intra group financing activities. • Securitisation of non-performing loans. • Securitisation of leasing receivables. • Securitisation of both tangible and intangible assets. • CLOs (possibility of active management).	Private equity, venture capital and real estate investments and any other alternative investments.	Holding and financing activity, commercial activity, holding of IP, etc.

Glossary of terms:

AIF: Alternative Investment Fund as defined by article 1 (39) of the AIFM Law, namely collective investment undertakings, 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 authorization pursuant to article 5 of Directive 2009/65/EC (i.e. UCITS).

AIFMD: Directive 2011/61/EU on alternative investment fund managers.

AIFMD registration regime: An AIFM that wishes to make use of the registration regime must have assets under management of less than EUR 100 million, or EUR 500 million if it manages only funds closed for at least 5 years not using leverage.

AIFM: A legal person whose regular business is managing one or more AIFs.

AIFM Law: Luxembourg law of 12 July 2013 on alternative investment fund managers (transposing the AIFM directive into Luxembourg law).

AIFM Law threshold: the thresholds provided for in article 3 (2) of the AIFM Law.

CSSF: The Luxembourg Supervisory Authority of the Financial Sector (*Commission de Surveillance du Secteur Financier*).

CLO: Collateralised Loan Obligation.

Company Law: The Luxembourg law of 10th August 1915 on commercial companies, as amended from time to time.

FCP: Common fund (*fonds commun de placement*).

Part II UCI: Undertaking for collective investment established under Part II of the Luxembourg law of 17 December 2010.

RAIF: Reserved alternative investment fund (*fonds d'investissement alternatif réservé*).

S.A.: Public limited liability company (*société anonyme*).

S.à r.l.: Private limited liability company (*société à responsabilité limitée*).

SAS: Simplified stock company (*société par actions simplifiée*).

S.C.A.: Corporate partnership limited by shares (*société en commandite par actions*).

SCoSA: Cooperative company organised as a public limited company (*société cooperative organisée comme une société anonyme*).

SCS: Common limited partnership (*société en commandite simple*).

SCSp : Special limited partnership (*société en commandite spéciale*).

SICAF: Investment company with fixed capital (*société d'investissement à capital fixe*).

SICAR: Investment company in risk capital (*société d'investissement en capital à risqué*).

SICAV: Investment company with variable capital (*société d'investissement à capital variable*).

SIF: Specialised investment fund (*fonds d'investissement spécialisé*).

SPF: Private wealth management company (*société de gestion de patrimoine familial*).

UCITS : Undertakings for collective investments in transferable securities.

Well-informed investors: A well-informed investor is an institutional investor, a professional investor or any other investor who has stated in writing that s/he adheres to the status of well-informed investor and invests a minimum of 125,000 Euro in the SIF/SICAR/RAIF, as applicable, or has been subject of an assessment made by a credit institution, by an investment firm or by a management company certifying his/her expertise, his/her experience and his/her knowledge to adequately appraise an investment in the SIF/SICAR/RAIF, as applicable.

HOW CAN WE ASSIST YOU?

Our team:

- Supports clients in finding appropriate investment vehicles to meet their requirements and goals from a marketing, regulatory and legal perspective.
- Introduces clients to service providers that meet their requirements, including custodian banks, AIFMs, fund administrators, registrars and transfer agents and auditors.
- Assists with the establishment of UCITS and alternative investments funds such as SIFs, RAIFs, SICARs, special limited partnerships (SCSp and common limited partnerships (SCS), including drafting of PPMs, assistance with incorporation of the fund, the general partner, carried interest vehicles, the co-investment vehicles and SPVs and regulatory filing with the CSSF.
- Assists with the migration of offshore funds to Luxembourg.
- Provides corporate support services throughout a fund's lifetime, including amendment of fund documents, restructuring, and launch or closure of sub-funds or share classes.
- Assists with changes of service provider.
- Assists with the listing of fund share or units on the Luxembourg Stock Exchange's regulated or EURO MTF markets.
- Supports registration of the fund in other jurisdictions, in co-operation with local service providers.
- Advises on AIFMD-related issues.
- Advises fund promoters on domestic private placement rules for marketing their funds in Luxembourg.
- Keeps clients up to date with legal and regulatory developments.



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Chevalier & Sciales is a Luxembourg law firm established 17 years ago with specialist expertise in investment management, corporate transactions, banking and finance as well as high-level litigation and dispute resolutions. Our dynamic litigation and transaction teams have an international reputation for bringing together excellence and intellectual rigour with a practical and business-minded approach in serving our clients.

Our aim is to offer a one-stop-shop service to our clients and to provide tailored solutions to meet their needs, responsively and cost-effectively. Our practice areas are structured to ensure a comprehensive understanding of our clients' business and markets. We work with recognised tax experts and other service providers to provide you with the assistance and services you require through every aspect of your transactions and business.

Chevalier & Sciales is recommended and listed in the area of investment funds, litigation and dispute resolution and banking and finance.

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