

Law of 8 April 2019 on the measures to be taken in relation to the financial sector in the event of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and amending:

- 1° the Law of 13 February 2007 relating to specialised investment funds, as amended; and
- 2° the Law of 17 December 2010 relating to undertakings for collective investment, as amended.

(Mém. A 2019, No 238)

Parl. doc. 7426; ord. sess. 2018-2019

Article 1.

A new Article 76b is inserted after Article 76a of the Law of 13 February 2007 relating to specialised investment funds, as amended, which reads as follows:

“Article 76b.

Where the investment rules of a specialised investment fund are no longer complied with as a result of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union, a maximum period of 12 months shall be granted to the specialised investment fund for the regularisation of the breaches resulting from such withdrawal. This regularisation shall be made by taking into account the stability of the financial markets and the interest of the unit-holders. This regularisation period shall be granted only in relation to the breaches resulting from positions taken prior to the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union. ”.

Article 2.

A new Article 186-6 is inserted after Article 186-5 of the Law of 17 December 2010 relating to undertakings for collective investment, as amended, which reads as follows:

"Article 186-6.

Where the investment rules of a UCITS established in Luxembourg or of a UCI governed by Part II are no longer complied with as a result of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union, a maximum period of 12 months shall be granted to the UCITS or UCI governed by Part II for the regularisation of the breaches resulting from such withdrawal. This regularisation shall be made as soon as possible, by taking into account the stability of the financial markets and the interest of the unit-holders. This regularisation period shall be granted only in relation to the breaches resulting from positions taken prior to the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union.

Any UCITS authorised pursuant to Directive 2009/65/EC by the UK authorities marketing its units in Luxembourg in accordance with the provisions of Chapter 7 at the time of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union shall be *ipso jure* authorised to market its units with retail investors in Luxembourg based on the provisions of Article 100(1), for a maximum period of 12 months from the date

of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union, provided this UCITS is managed, at the time of the withdrawal, by a UCITS management company authorised pursuant to Directive 2009/65/EC by the UK authorities.

The UCITS referred to in the second subparagraph which are managed by a UCITS management company authorised pursuant to Directive 2009/65/EC by a competent authority of a Member State other than the United Kingdom may continue to market their units with retail investors in Luxembourg only on condition that the UCITS management company be, at the time of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union, also authorised by the competent authority concerned as an AIFM pursuant to Chapter II of Directive 2011/61/EU. Where this condition is complied with, the UCIs shall be *ipso jure* authorised to market their units with retail investors in Luxembourg in accordance with the provisions of Article 46 of the Law of 12 July 2013 on alternative investment fund managers, as amended, for a maximum period of 12 months from the date of the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union. ”.

Article 3.

This law shall enter into force on the day on which the United Kingdom of Great Britain and Northern Ireland withdraws from the European Union, in accordance with Article 50(3) of the Treaty on European Union.