

Implementation of PRIIPs Regulation

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As a reminder, on 1 January 2018, the PRIIPs Regulation entered into force in the EU. As regards the implementation of the PRIIPs Regulation in Luxembourg law, an implementing law was published on 19 April 2018 ("**PRIIPs Law**").

The PRIIPs Law designates the **CSSF** (*Commission de Surveillance du Secteur Financier*) and the **CAA** (*Commissariat aux Assurances*) as the competent authorities responsible for the supervision of compliance with the PRIIPs Regulation in the Grand Duchy of Luxembourg and, in this context, gives them specific supervisory and investigation powers. In addition, it details administrative sanctions and measures that can be imposed in case of violation of the PRIIPs Regulation, such as the prohibition or suspension of the marketing of the PRIIP, administrative fines that can amount to (i) EUR 5,000,000 or 3% of the revenues for a legal person and EUR 700,000 for a natural person or (ii) twice the profits made or the losses avoided because of the violation, if they can be determined.

The PRIIPs Law also allows SICARs and UCIs other than UCITS to establish a KID in the UCITS format (i.e. not a PRIIPs KID but a UCITS KIID prepared in accordance with the UCI Law), provided that this KID expressly states that the SICAR or UCI, as the case may be, does not qualify as a UCITS. In this case, the PRIIPs manufacturer is exempt from the obligations stated in the PRIIPs Regulation. Pursuant to the provisions of the PRIIPs Regulation, this exemption will be valid until 31 December 2019, subject to an extension of this transitional regime by the EU authorities.

For any further information please contact us or visit our website at www.elvingerhoss.lu.

The information contained herein is not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific legal advice concerning particular situations.

We undertake no responsibility to notify any change in law or practice after the date of this newsletter

ELVINGER HOSS PRUSSEN

Société anonyme, Registered with the Luxembourg Bar, RCS Luxembourg B 209469, VAT LU28861577