

# CSSF Circular on UCI administrator

On 16 May 2022, the CSSF issued [Circular 22/811](#) concerning the authorisation and organisation of entities acting as UCI administrators ("**Circular**").

The Circular formalises the CSSF's regulatory practice concerning the activity of UCI administration and determines the principles of sound governance and the requirements to be complied with by entities providing UCI administration services in terms of substance, internal organisation (including but not limited to delegation models) and reporting.

The UCI administration activity covers any one, or any two or all of the following three main functions, all as defined and detailed in the Circular: (i) registrar (TA) function, (ii) NAV calculation and accounting function, and (iii) client communication function.

The following entities are eligible to act as UCI administrator:

- Luxembourg investment fund managers ("**IFMs**"), such as UCITS ManCos and AIFMs;
- Foreign IFMs pursuing the activity of UCI administrator for Luxembourg UCIs;
- Luxembourg regulated UCIs (i.e. UCITS, Part II UCIs, SIFs, and SICARs), which may, however, only act as UCI administrator for themselves; and
- Luxembourg external service providers authorised under the Law of 5 April 1993 on the financial sector as amended, such as credit institutions, registrar agents, client communication agents and administrative agents.

The requirements of the Circular shall apply at the level of the UCI administrator, which means that any entity, which performs one or several of the three functions encompassed by the UCI administration activity, is subject to the provisions of the Circular as UCI administrator. In this context, an IFM that has delegated all such three functions to another entity will not be subject to the provisions of the Circular as UCI administrator, instead such delegates will be. By contrast, if an IFM retains, i.e. itself performs, any one or several of these functions, it will be subject to the Circular in respect of such function(s).

Luxembourg non-regulated UCIs (i.e. RAIFs and other non-CSSF regulated AIFs) remain, in principle, outside the scope of the Circular in the sense that they can continue to act as UCI administrator for themselves without being subject to the Circular requirements. However, they may be affected indirectly, should they use an external UCI administrator.

This external UCI administrator will, in turn, be subject to the Circular.

The provision of UCI administration activity is subject to prior authorisation by the CSSF.

For an overview of the key points of the Circular and its practical impacts, see the Newsflash "[CSSF Circular 22/811 on UCI Administrators](#)" on our website.

For any further information please contact us or visit our website at [www.elvingerhoss.lu](http://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.