



# L-QIF & RAIF

---

Updated in September 2023

Updated in September 2023

## REGULATORY EVOLUTION

**L-QIF** means «Limited Qualified Investor Fund». It should authorize an investment fund dedicated to qualified investors – to invest in all types of products of risk spreading, without restriction. **L-QIF** provides financial market participants with a maximum freedom in a precise framework. **L-QIF** is an investment fund and as such a tool fiscally optimal in Switzerland.

The set up of a first Directive on alternative investment funds (AIF) in 2011 and transposed in 2013 by EU countries, offers a licence to asset managers with this obligation of appointing a depositary for each AIF.

Luxembourg seized this opportunity and created a new fund product, the **RAIF** -Reserved Alternative Investment Fund- a Luxembourg-based vehicle launched in 2016 and submitted to AIFMD.

The RAIF is regulated by the law of 23 July 2016.

## FOCAL POINTS

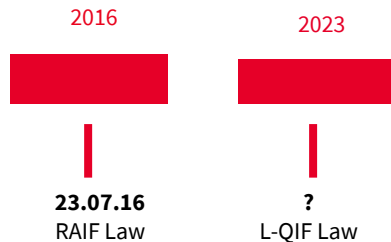
**What did we have those products?**

**RAIF** was an initiative from Luxembourg to anticipate the end of the Private Placement Regime in 2018 for third countries funds/asset managers.

AIFMD regulates the Fund Manager but not the Fund. This is why Luxembourg implemented the RAIF without being approved and authorized by the CSSF but with one condition: a RAIF needs to appoint an AIFM when it is created.

All “AIFM” can select this competitive alternative product which presents same advantages than any other AIF. RAIF can be liquidated with minimum /less costs. Number of FIAR reached rapidly 200 structures just after its entry into force in July 2016.

**L-QIF** is a product for well advised investors that should complete the sample of Swiss financial products.



Updated in September 2023

STATEMENT

**RAIF is a Luxembourg investment fund created with the law of 23 July 2016.**

It is a Fund organized under Luxembourg law. However, it is not subject to the supervision of the CSSF, the Luxembourg's regulator. Quickly set up, once established the appropriate authorized management company acting as manager who must be an authorized AIFM, domiciled in one of the European Economic Area Member States. This means that all benefits from the AIFM's passport applies. RAIFs are subject to the principle of risk-spreading.

**L-QIF** is a new Swiss vehicle that should be launched this year. In Switzerland, the law on collective investment (LPCC) should provide investors with a new financial instrument , **L-QIF**, that might challenge the Luxembourgish RAIF. **L-QIF** will be offered to qualified investors only. Swiss regulations will allow in 2023 for the first time a fund not subject to regulator's approval to be offered to qualified investors. However due to several market issue and even though L-QIF is not subject to licensing requirements, L-QIF should likely appear not before mid-2024 and not in 2023 as initially announced.

**FOR YOUR CONSIDERATION****Who could administer and manage an L-QIF ?**

Financial companies under the supervision of **Finma** i.e. A regulated asset manager : banks, third managers, family office, insurance companies, *caisse de pension* or asset management companies.

**L-QIF** is a Swiss alternative to structures of similar foreign funds , whose the most comparable is the **Luxembourg RAIF** authorized since July 2016. Switzerland expects a great demand for the **L-QIF**. This new fund structure does not include the introduction of a new legal form and could added to an existing legal structure , mutual fund or investment company with variable capital variable.

Consultation on the ordonnance related to capital collective investments started on 23 September 2002 and finished on 23 December 2022. Switzerland expects avoiding a self-blockage by authorizing members of a family to open a **L-QIF** with dedicated compartments. As L-QIF does not require any approval or license from the Swiss Financial Market Supervisory Authority ("FINMA"), it can be launched quickly and without great expense.

[Jean-pierre.gomez@sgss.socgen.com](mailto:Jean-pierre.gomez@sgss.socgen.com)If you want to know more, refer to  
Fiche To Know More

*"This document is for informational purposes only. Under no circumstance should it, in whole or in part, be considered as an offer to enter into a transaction. This document is not intended to have an advisory character or intended to represent an investment recommendation or a recommendation regarding a certain strategy, product or service. Although information contained herein is from sources believed to be reliable, Societe Generale makes no representation or warranty regarding the accuracy of any information and is not responsible for errors of any kind. Any reproduction, disclosure or dissemination of these materials is prohibited. The products and services described within this document are not suitable for everyone. This document is not intended for use by or targeted at retail clients. All of the products and/or services described may not be available in all jurisdictions"*