LuxFLAG Applicant Fund Status

Objective of the applicant fund status:

To facilitate the marketing efforts of eligible funds during the initial subscription phase by awarding a specific Label

Labelling period:

From 01 to 18 months from the date of launch

Eligibility criteria:

1. The Investment objective mentioned in the prospectus of the applicant fund should precisely mention its intention to invest in one of the Responsible Investing sectors referring to LuxFLAG Label viz. Microfinance, Environment, Climate Finance or ESG
2. The Investment policy mentioned in the prospectus of the applicant fund should precisely mention its intention to incorporate ESG (Environment, Social and Governance) considerations in the investment process
3. The applicant fund must submit a full list of its portfolio to LuxFLAG at the end each quarter
4. The applicant fund must commit to apply for LuxFLAG Fund Label once eligible but no later than 18 months from the date of launch
5. Seek a return on investment.
6. Comply with the following legal and governance criteria:
   - Take the form of a distinct legal entity or of a fund under collective management.
   - Segregate the functions of custody and asset management.
   - Regularly report and publish audited financial and other information for investors (Minimum annual reporting).
   - Apply the principle of risk diversification
7. i) The Applicant Investment Fund must be subject either to supervision in a EU Member State or to supervision equivalent to that in EU Member States; or
   ii) If the Applicant Investment Fund itself is not regulated:
      - It must have a custodian that must be subject to supervision equivalent to that in EU Member States.
      - If applicable, its manager must be subject to supervision equivalent to that in EU Member States.

Application documents:

1. Application form
2. Prospectus
3. Issue documents / articles of incorporation
4. Full list of portfolio (if any)
5. Latest extracts of the bank statements
6. ESG/ SRI Investment policy (if any)

Application process:

1. Applicant fund submits application files to LuxFLAG
2. LuxFLAG reviews the application files and prepares a recommendation for the respective Label Eligibility Committee
3. LuxFLAG Label Eligibility Committee reviews the application files and provides a recommendation to the Board of Directors
4. Board of Directors of LuxFLAG review the committee recommendation and confirm final decision on application

Validity:

12 months (with a possibility of one extension of 12 months)

Fees:

Euro 3’000

Application submission:

Quarterly

LuxFLAG’s communication on labelled ‘applicant funds’:

- Press release at the end of each quarter
- A specific section on LuxFLAG website mentioning the names of such funds and links to their respective websites
- A specific ‘labelled applicant fund’ logo

If you have any questions regarding the application, please contact us.