



TECHNICAL SHEET REGARDING RESERVED ALTERNATIVE INVESTMENT FUNDS ("RAIF")

This document is intended for informing the reserved alternative investment funds (hereinafter "RAIF") of their professional obligations arising from the Luxembourg Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended (hereinafter the "2004 AML/CFT Law").

1. RAIFs targeted by the 2004 AML/CFT Law

Pursuant to a combination of articles:

- **1 (3a) (e) of the 2004 AML/CFT Law** « *any person other than those referred to in points (a) to (d), and in paragraph 3, which carries out, by way of its business, one or more of the activities listed in Annex I on behalf of or for a customer* » ;

and

- **2 (1) (7) of the 2004 AML/CFT Law** « *the other financial institutions carrying out their activities in Luxembourg* » ;




that the unregulated financial vehicles by the CSSF fall under the scope of application of the 2004 AML/CFT Law.

The Registration Duty, Estate and VAT Authority (AED) is appointed as **supervisory authority** to ensure compliance with the 2004 AML/CFT Law of the unregulated financial vehicles by the CSSF including **RAIFs**.

Indeed, the article 2-1 (8) provides that « *the AED, is the supervisory authority in charge of ensuring compliance by the professionals not referred to in paragraphs 1 to 7 with their professional obligations as regards the fight against money laundering and terrorist financing provided for in Articles 2-2 to 5 and their implementing measures* ».

2. The three pillars of professional AML/CFT obligations

Pursuant to the 2004 AML/CFT Law, the RAIFs have to respect the following **professional AML/CFT obligations**:

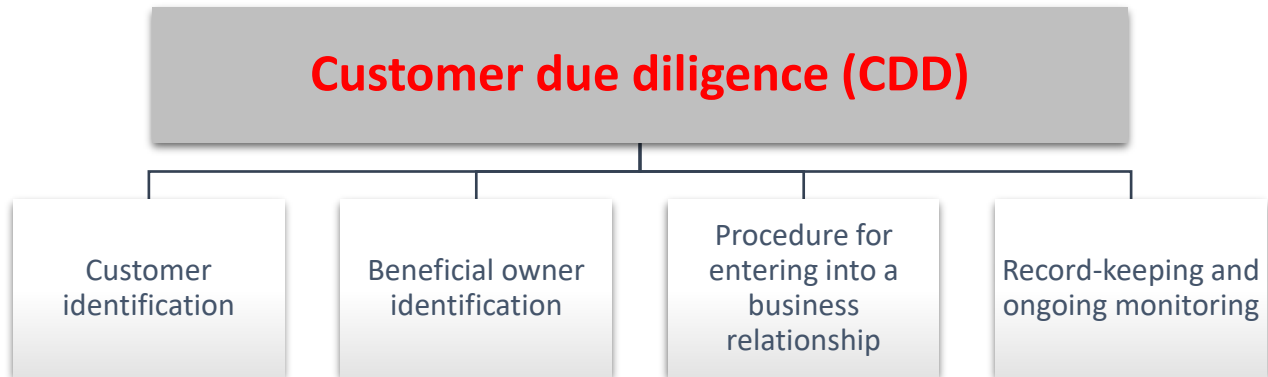
-  **Customer due diligence** (article 3 and following of the 2004 AML/CFT Law)
-  **Adequate internal management requirements** (article 4 and following of the 2004 AML/CFT Law) and **risk assessment** (article 2-2 of the 2004 AML/CFT Law)
-  **Cooperation requirements** (article 5 of the 2004 AML/CFT Law)

Professional AML/CFT obligations



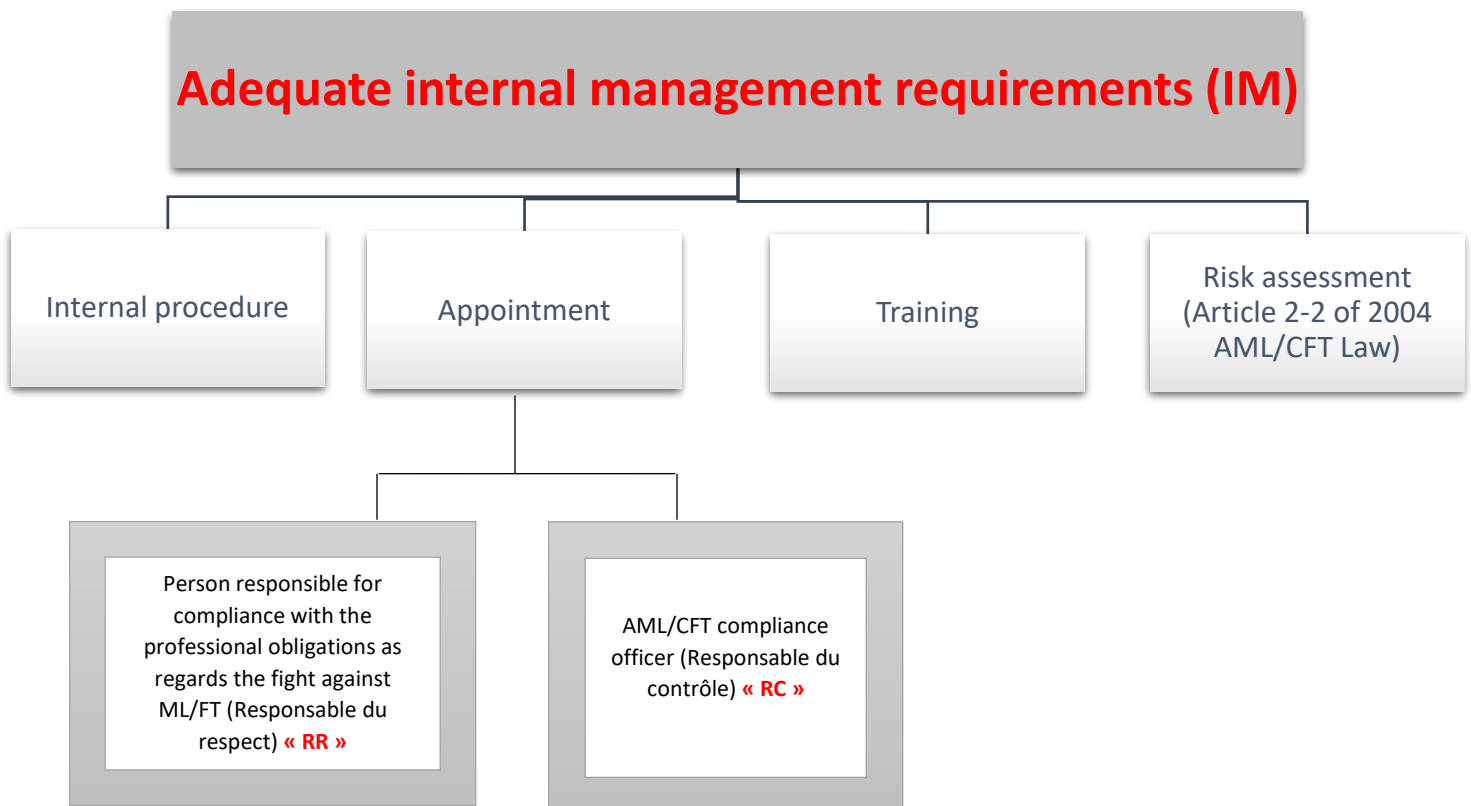
A) Customer due diligence (article 3 and following of the 2004 AML/CFT Law)

- What are the **sub-pillars** of the customer due diligence?



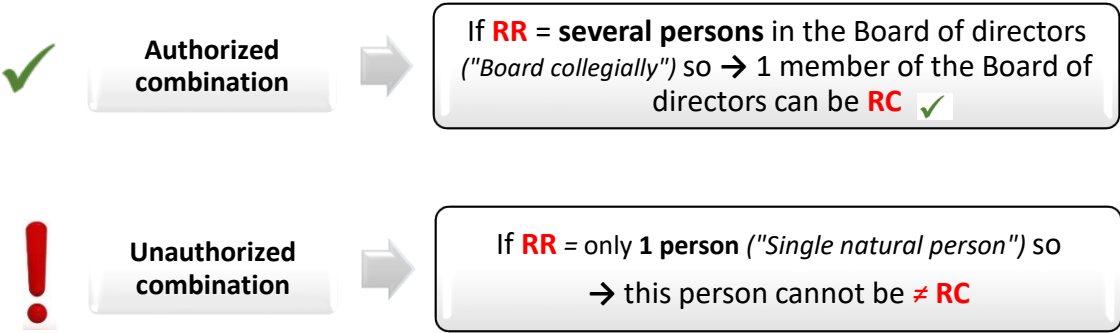
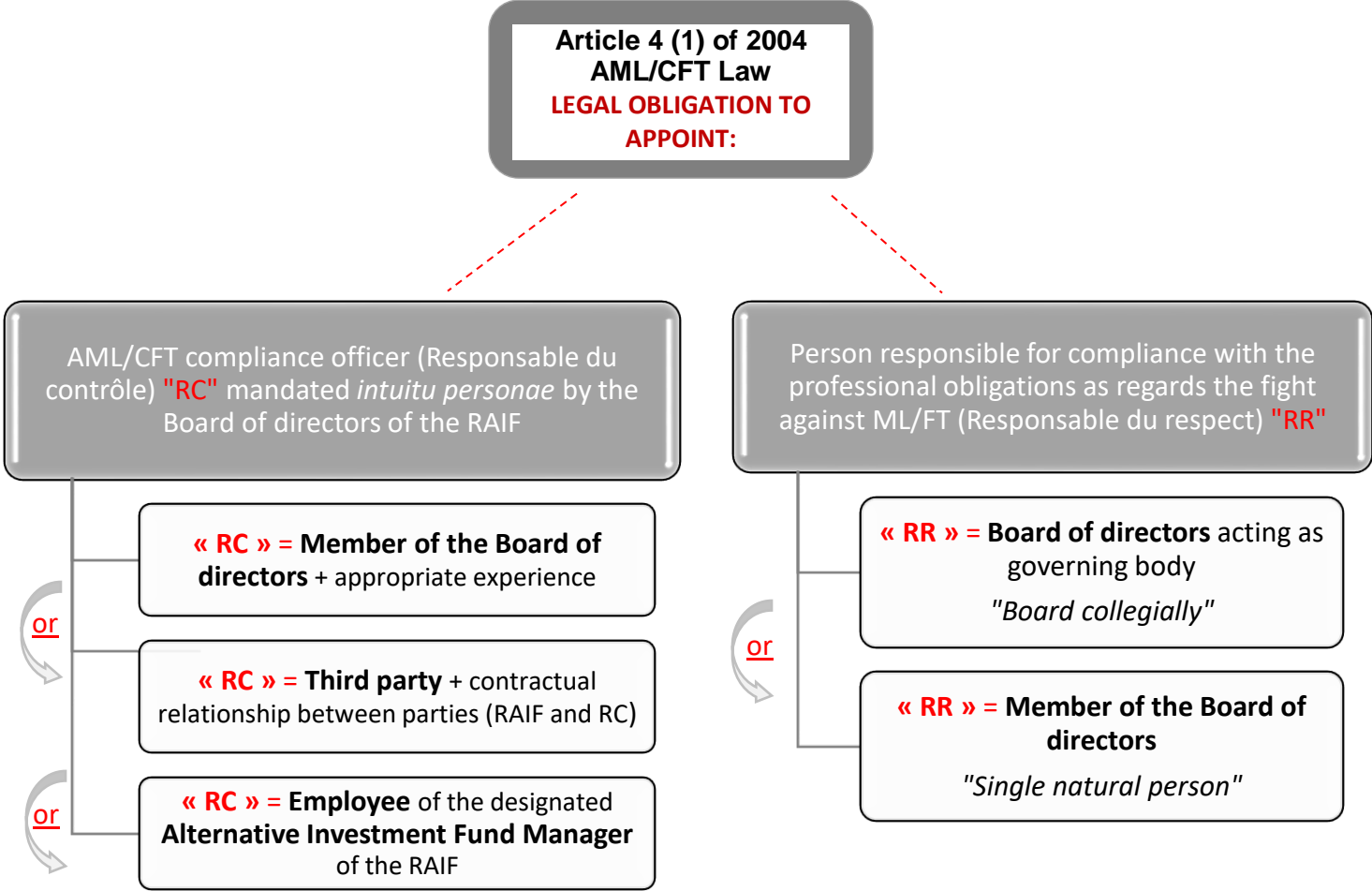
B) Adequate internal management requirements (article 4 and following of the 2004 AML/CFT Law)

- What are the **sub-pillars** of the adequate internal management requirements?

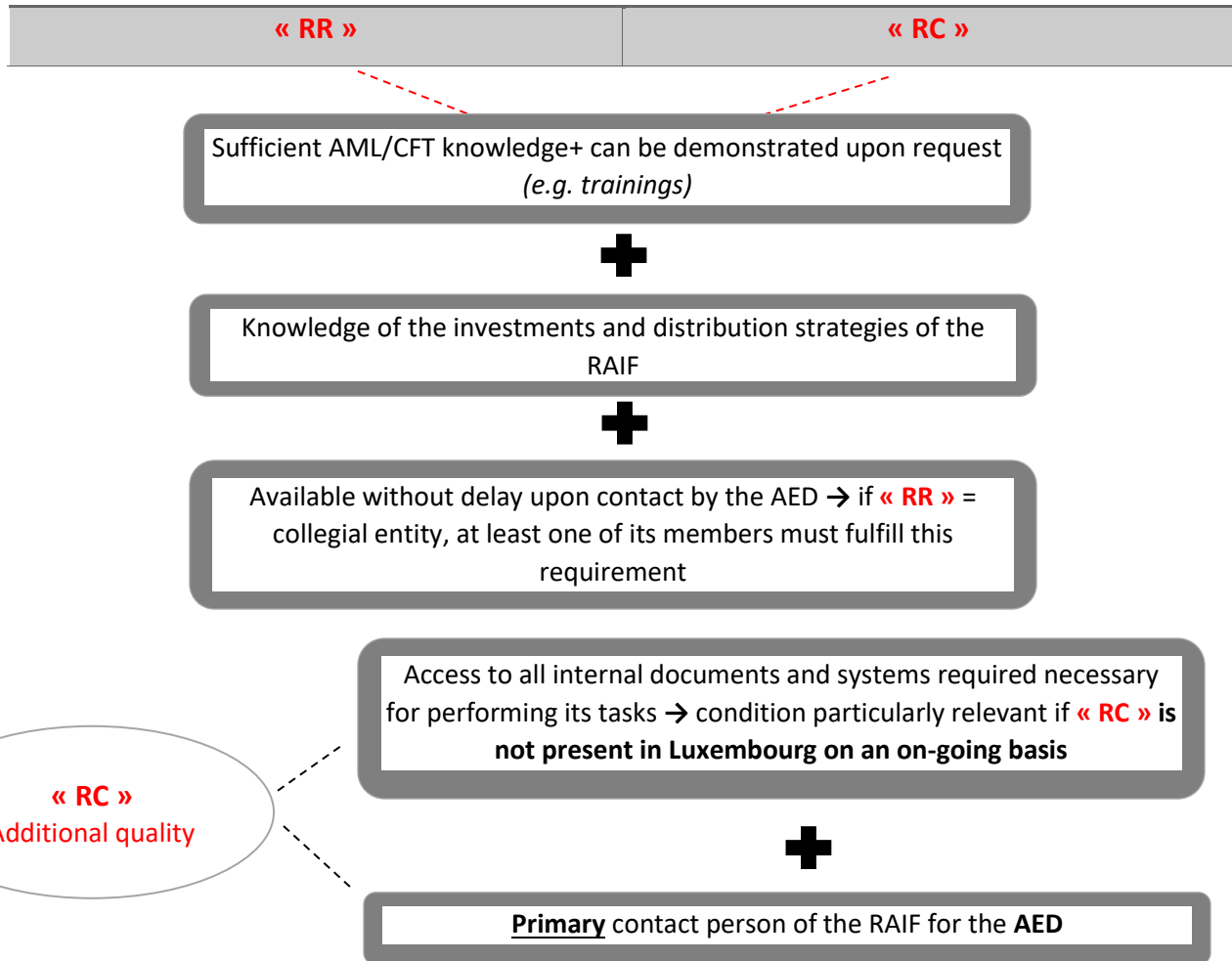


Legal obligation to appoint a « RR » and « RC »

- Through the “FAQ – Persons involved in AML/CFT for a Luxembourg Reserved Alternative Investment Fund (“RAIF”) supervised by the AED for AML/CFT purposes”, the AED has clarified the **obligations** arising from the article 4 (1) of the 2004 AML/CFT Law and the **required qualities** for the « RR » and the « RC »



REQUIRED QUALITIES



C) Cooperation requirements (article 5 of the 2004 AML/CFT Law)

- What are the sub-pillars of the cooperation requirements ?

