



***** On the edge of the cliff – COVID-19 may force a growing number of Luxembourg regulated or unregulated investment funds into restructuring or voluntary liquidation *****

Present times bring unprecedented challenges for the Luxembourg asset management industry. After profiting from a recent investment upsurge and reaching the highest-ever level of assets under management, Luxembourg investment funds may have to face the consequences of the virus outbreak and unsettling financial markets making a number of them consider restructuring their debts or liquidating the structure altogether.

Naturally, voluntary liquidation of an investment fund is a complex multi-stage exercise, which has to be carefully planned in advance, requiring cooperation with the CSSF (if the fund is regulated), the liquidator and the auditor. Transparent, timely and complete communication with the CSSF at all times (from pre-liquidation and up to post-liquidation stages) is key to successfully running and closing liquidation of a Luxembourg regulated investment fund. Practical aspects—such as termination or renegotiation of agreements with service providers—should not be neglected either.



Please contact our team to discuss your restructuring or liquidation project or to get more information on the topic.