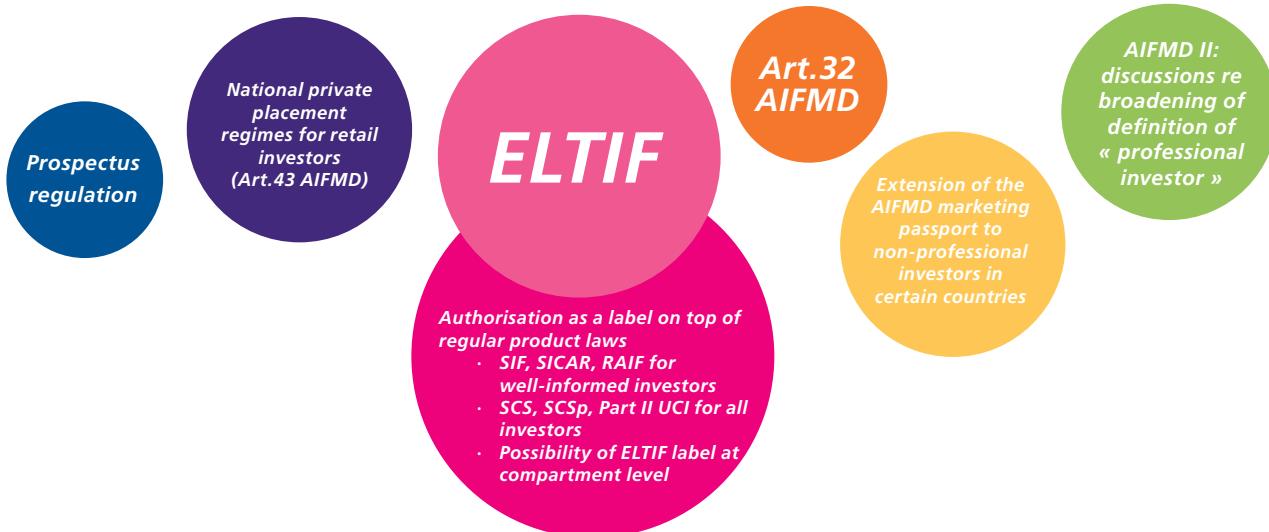


European Long-Term Investment Fund (ELTIF)

The main gateway to retail investors



Eligible assets



Liquidity & redemptions

- In principle: **closed-ended**
- **Early redemptions** during the life of the ELTIF under specific conditions (e.g., minimum holding period, detailed redemption policy)
- **Liquidity management tools** are available to avoid liquidity mismatches
- **Borrowing/leverage**: an ELTIF may borrow cash if it represents:
 - no more than 50% of the NAV of the ELTIF marketed to retail investors OR
 - no more than 100% of the NAV of the ELTIF if solely marketed to professional investors
- **Secondary trading**: early exit should be possible if the ELTIF manager has put in place a policy for matching new potential investors and exit requests

Marketing to retail investors

- **Suitability test**
 - in accordance with Art.25 of Directive 2014/65/EU (MiFID II)
 - explicit consent of the relevant retail investor to be obtained if negative result before proceeding with the transaction
 - Only a single written alert to retail investors that the product might not be suitable to those who are unable to sustain a long-term and illiquid commitment if the life of ELTIF exceeds 10 years
 - SFDR
- **No minimum financial portfolio** and **no minimum investment amount**
- **No obligation to set up local facilities** in each Member State where they intend to market to retail investors

Investment rules

No geographic requirements	Master-feeder structures: allowed if the master remains an ELTIF	Concentration rules: ELTIFs may not acquire more than 30% of the units/shares of a single ELTIF, EuVECA, EuSEF, UCITS or AIF managed by an EU AIFM
Possibility to conduct minority co-investment opportunities	Funds-of-funds strategy: allowed up to 100% in the EEA	Diversification rules: Individual diversification limit of 20% (except of 10% UCITS eligible assets issued by a single body) <i>Only applicable for ELTIFs marketed to non-professional investors</i>

Transparency requirements

- **For all types of ELTIFs**
 - A prospectus (ELTIFR)
 - An annual report (AIFMD)
- **For ELTIFs marketed to retail investors**
 - Obligation to publish a key information document (KID)
- Additional disclosures for **master-feeder** structures

- **ESMA** shall keep a [central public register](#) identifying ELTIFs with a precise list of information to be disclosed
- Subject to the provisions of the Sustainable Finance Disclosure Regulation (**SFDR**)

Entry into force & grandfathering provisions

Entry into force of ELTIF Regulation in all Member States



25 November 2021

ELTIF 2.0 formally approved by the EP



Entry into force



15 March 2023

10 January 2024

Legislative process

9 December 2015



EU Commission's proposal to amend ELTIF Regulation

14 February 2023



Publication in the Official Journal of the EU

5-year grandfathering period

Opt-in regime

09 April 2023



Application date

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