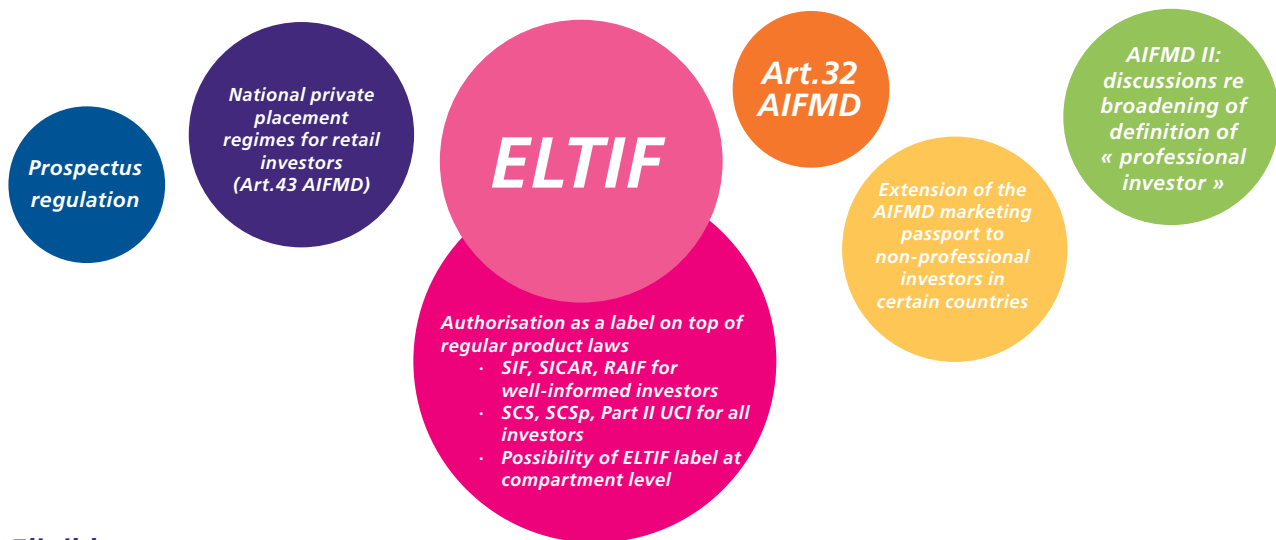


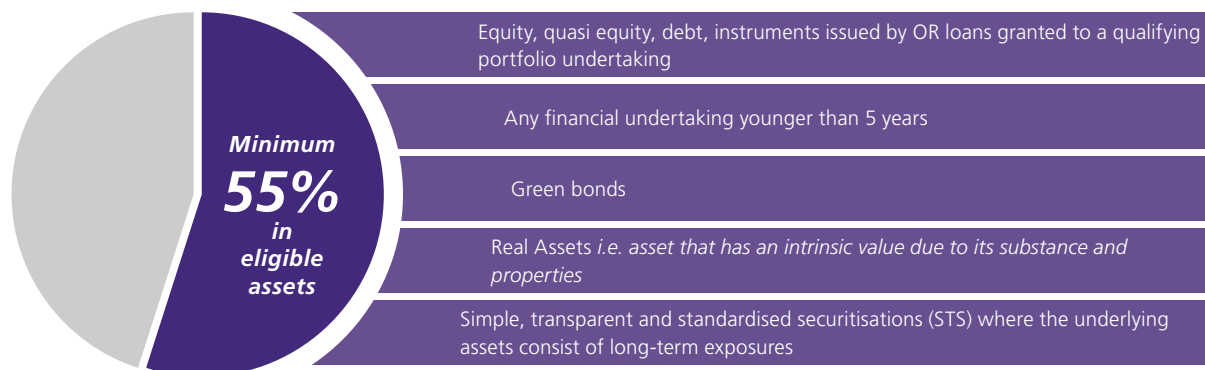
# European Long-Term Investment Fund (ELTIF)



## 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

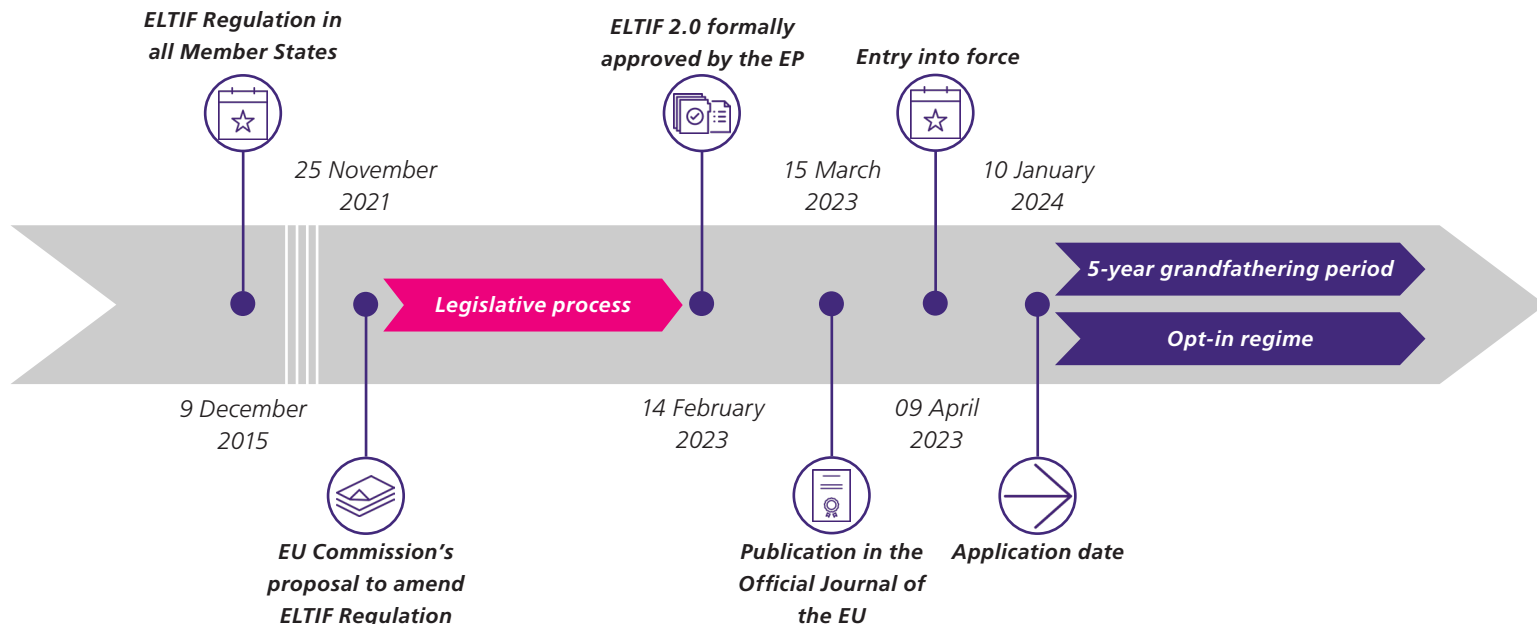
No geographic requirements	Master-feeder structures: allowed if the master remains an ELTIF	<b>Concentration rules:</b> ELTIFs may not acquire more than 30% of the units/shares of a single ELTIF, EuVECA, EuSEF, UCITS or AIF managed by an EU AIFM
Possibility to conduct minority co-investment opportunities	Funds-of-funds strategy: allowed up to 100% in the EEA	<b>Diversification rules:</b> 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



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