

STRUCTURES FOR ISLAMIC FINANCE

	Regulated	Lightly regulated	Unregulated		
Structure	UCITS & UCI	SICAR	SIF	SOPARFI	Securitisation Vehicle
Applicable law	2002 Law on undertakings for collective investment, Part I and II, as amended	2004 SICAR Law, as amended	2007 SIF Law, as amended	1915 Companies Law, as amended	2004 Securitisation Law, as amended
Supervision by CSSF	Yes	Yes (light)	Yes (light)	No	No (*)
Eligible assets	Restricted for UCITS; un-restricted for UCI	Private equity & venture capital	Unrestricted	Unrestricted	Unrestricted
Risk diversification rules	Yes	No	Yes	No	No
Eligible investors	Unrestricted	Well informed investors		Unrestricted	Unrestricted
Tax treatment	No tax except for annual subscription tax of 0.05% on the net asset value	Income tax at 28.59% but effective tax rate close to 0% due to special provisions	No tax except for annual subscription tax of 0.01% on the net asset value	Income tax at 28.59%	Income tax at 28.59% but effective tax rate close to 0% due to special provisions
Required service providers	Auditor, Administrator, Central Depository			Auditor	Auditor
Practical application for shariah compliant products	Mudaraba Musyarakah Murabaha Ijarah	Mudaraba Musyarakah Ijarah	Mudaraba Musyarakah Murabaha Ijarah	Mudaraba Musyarakah Murabaha Ijarah	Murabaha Ijarah sukuk
Benefit from Tax Treaty	Yes if SICAV	Depends on target	Yes if SICAV	Yes	Yes
EU Passport	Yes (for UCITS)	No	No	No	No

(*) If securities are not issued to the public on a continuous basis