

## LUXEMBURG

<b>1. Company law:</b>	<p>Law of 10 August 1915, as amended Law of 19 December 2002, as amended; Article 1832 et seq. of the Civil Code; Law of 22 March 2004 on securitization, as amended; Law of 15 June 2004 in respect of the investment company in risk Capital (SICAR), as amended; Law of 5 August 2005 on financial collateral arrangements; Law of 19 May 2006 on takeover bids; Law of 19 May 2006 on market abuse; Law of 11 January 2008 concerning transparency requirements for issuers of securities, as amended, Law of 24 May 2011 on the rights at shareholder meetings of listed companies; Law of 21 July 2012 on sell-outs/squeeze-outs.</p>
<b>2. Types of company:</b>	<p>Corporations (sociétés anonymes – SA and Sociétés européennes – SE); private limited liability companies (sociétés à responsabilité limitée – SaRL); partnerships limited by shares (sociétés en commandite par actions – SCA); partnerships (sociétés en nom collectif – SNC); limited partnerships (sociétés en commandite simple – SCS); cooperative companies (sociétés coopératives – Scoop); cooperative companies organised as an SA (Sociétés coopératives organisées comme des sociétés anonymes); civil law companies (Sociétés civiles – SC); economic interest grouping (groupements d'intérêt économique – GIE); European Economic interest grouping (groupements d'intérêt économique – GIE); European Economic interest grouping (groupement d'intérêt économique européen – GEIE).</p> <p><b>(a) Type of company preferred for international transactions:</b> SA, SaRL and SCA.</p> <p><b>(b) Shareless companies:</b> SNC, SCS and SC.</p>
<b>3. Capital requirements:</b>	<p>Share capital of all companies (except SNC, SCS, and SC – no minimal capital requirements) is divided into shares or units. SA and SCA: EUR 31.000; SE: EUR 120.000; SaRL: EUR 12,500; SICAR: must reach EUR 1.000.000 (including share premium) with 12 months from its registration with the Luxembourg financial regulator.</p>
<b>4. Costs to incorporate, excluding government fees:</b>	<p>With respect to SA (with a one tier structure), SaRL and SCA approximately, EUR 2.500 for basic articles of association including notary fees (which vary upon the amount of the share capital and premium) for a company with a minimum capital, publication and</p>

	other associated costs.
<b>5. Fees paid to authorities to Incorporate:</b>	Fixed duty of EUR 75. Costs of publication of articles of association in the Luxembourg Official Gazette vary depending on their length.
<b>6. Annual fees paid to authorities:</b>	Up to 0.2% (minimum EUR 70) of commercial profits realized in the penultimate year. Certain holding companies (Soparfs) holding essentially financial participations are subject to a flat fee of EUR 350.
<b>7. Taxation rates applied to companies generally:</b>	29.22% (minimum of EUR 500). <b>(a) The taxation of companies in 2(a):</b> A fully taxable limited liability company which benefits from the parent-subsidiary regime is exempt from corporation taxes on capital gains realized on and dividends received from a qualifying participation of at least 10% (or where the acquisition cost is at least EUR 1.200.000 for the exemption on dividends and EUR 6.000.000 for the exemption on capital gains) held for at least 12 months in a Luxembourg resident limited company, an EU resident company listed in Article 2 of the EU parent-subsidiary directive or any other non-resident limited fully taxable company (taxable in accordance to principles similar to those applicable in Luxembourg and at a minimum rate of 10.5%).
<b>8. Method of Incorporation</b>	SAs, SEs, SaRLs and SCAs are incorporated by their shareholders, or their agents, in front of a notary. The articles of association must be registered and filed with the Luxembourg trade and companies register (the RCS) and published in the Luxembourg Official Gazette.
<b>9. Who may incorporate – are local professionals required?</b>	Shareholders may be physical persons or legal entities. <b>(a) Are ready made/shelf companies available?</b> Given the fast and easy process to incorporate a new company, the market for shelf companies is negligible.
<b>10. Length of time to incorporate:</b>	In the best case, can be done within 24 hours.
<b>11. Minimum number of members:</b>	SA and SE one (no maximum) ; SaRL one (maximum of 40); SCA: two.
<b>12. Directors and secretary:</b>	Directors/managers must be appointed. A secretary is not a legal requirement. <b>(a) Must there be a resident director/secretary:</b> No <b>(b) Are corporate directors allowed?</b> Yes (SAs or SCAs, a permanent

	<p>representative must be appointed).</p> <p><b>(c) Is a local registered agent required?</b> A registered office in Luxembourg is required.</p> <p><b>d) Are 'shadow' directors required to be registered?</b> Shadow directors incur similar liability.</p>
<b>13. Amount of fees payable to appointee directors/ secretary:</b>	Approximately EUR 1.500 to EUR 2.500 per year and per person, although fees may be higher. Fees for Luxembourg independent directors are generally much higher.
<b>14. Annual Meetings:</b>	SAs, SCAs, and SaRLs must hold an AGM once a year.
<b>15. Is an annual return filed with details of directors and members?</b>	Changes to the management of a company are required to be filed with the RCS and published in the Luxembourg Official Gazette shortly after the occurrence of a change.
<b>16. Accounts:</b>	<p><b>(a) Must financial statements of a company be audited?</b> Yes, for SAs, SCAs &amp; SaRLs with over 25 shareholders.</p> <p><b>(b) Are annual accounts filed with annual returns?</b> The financial statements for a non-listed company must be prepared within six months from the closing of the business year. If a company is listed on an EEA regulated market, the financial statements must be prepared within four months from the closing of the business year. All financial statements must be filed with the RCS.</p>
<b>17. Are there any exchange control or other financial restraints?</b>	None. International payments are reported to the Statec.
<b>18. Is migration of companies permitted?</b>	Yes, if permitted by the foreign law.
<b>19. Must foreign companies administered locally be registered?</b>	Foreign companies establishing a branch or operational seat in Luxembourg are regulated to register these at the time of their establishment
<b>20. Are protected cell companies permitted?</b>	Luxembourg law expressly recognises the possibility for certain Luxembourg entities (such as SICARs, UCITs/UCIs, and securitisation vehicles) to have ring-fenced compartments/units which do not have a distinct legal personality
<b>21. Are civil-law type foundations possible?</b>	Yes

<b>22. Are common-law foundations possible?</b>	No
<b>23. Can LLCs be formed?</b>	SAs and SaRLs provide for the limited liability of their shareholders. SCAs have a general partner who has unlimited liability and limited shareholders who have limited liability.
<b>24. Are regulators empowered to request the production of:</b>	<b>(a) information on the identity and background of beneficial owners and officers:</b> Yes <b>(b) Accounting information on companies:</b> Yes
<b>25. Can such information be exchanged with other jurisdictions?</b>	This cannot be excluded
<b>26. Any amendments to company law over the last 12 months?</b>	New squeeze-out and sell-out provisions for listed companies; rules regulating family office activities; amendment of certain provisions of the laws on prospectus and transparency requirements for issuers of securities
<b>27. Anticipated amendments to company law in 2013?</b>	Modernisation of the law on commercial companies, including the creation of a new commercial company (the société par action simplifiée); possibly for companies to issue dematerialized securities reform of certain accounting standards; change to the regime applicable to SCSs, implementation of AIFMD); modernization of insolvency procedures.