

## **First UCITS IV management companies announced - Sparinvest is one**

**Luxembourg was the first country to integrate the UCITS IV legislation into local law. Now, in early July 2011, a first list of UCITS IV Management Companies has been released. The pan-European asset management company with Danish roots, Sparinvest S.A. in Luxembourg, is one of only 21 companies within its category now authorised to operate within the framework of UCITS IV by the Luxembourg Commission de Surveillance du Secteur Financier (CSSF).**

Luxembourg, 11.07.2011, Luxembourg - Europe's main investment funds hub - has become the first to have enshrined the EU UCITS IV Directive into its local legislation. Sparinvest, the European asset manager with Danish roots which has distributed to pan-European markets from its Luxembourg operation since 2001, is amongst the very first companies to be authorised to operate within the framework of UCITS IV by the Luxembourg CSSF.

The new legislation is designed to achieve a number of efficiencies and economies of scale within the investment fund industry which, in the long run, should benefit both investors and product promoters alike. There are six key benefits:

- A company with a 'Management Company Passport' can become the manager for investment funds domiciled in other jurisdictions. Furthermore, Sparinvest - being deemed to have met strengthened standards of risk management as well as organisational and operational requirements - offers mandates and discretionary accounts across borders.
- The UCITS IV 'notification process' means that companies can promote new funds throughout Europe under a simplified notification process. (This, however, requires all other EU nations to have implemented UCITS IV locally.)



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- Investment Funds will have the opportunity to merge across borders to ease the burden of multi-domicile operational costs.
- The new ‘Master Feeder’ fund structure will make it easier to launch new funds based on existing, proven strategies across borders.
- Administration can benefit from economies of scale through rationalization across borders.
- A new standardised 2-page Key Investor Information Document (KIID) will be produced for each sub-fund to replace the ‘simplified prospectus’. Amongst other things, the aim is to make charges more transparent and comparable for investors.

Sparinvest S.A.’s CEO, Jan Stig Rasmussen, commented:

*“We are very pleased to be amongst the first companies to move towards UCITS IV. It shows the strength of our organisation and the thoroughness of our operations. It also proves that Luxembourg maintains a competitive advantage over other financial centres, when it comes to investment funds.”*

- Ends -

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#### About Sparinvest:

Founded in 1968 in Denmark, and with pan-European operations in Luxembourg since 2001, Sparinvest is an international asset management company with authorization to distribute its products in 16 European nations. The group is known as a specialist in value investment - both for equity and bond funds. Sparinvest is owned by a broad range of Danish institutional shareholders who support the group’s independence and prudent investment strategy, focused on providing competitive risk-adjusted long-term returns. As a natural step to further enhance its risk-focused approach, Sparinvest signed the United Nations Principles for Responsible Investment in 2009 and has now integrated



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environmental, social and governance (ESG) risk factors into the investment process for all its actively-managed funds. At end of June 2011, Sparinvest managed around €10 billion on behalf of private and institutional investors. More information at [www.sparinvest.eu](http://www.sparinvest.eu)

