



SETTING UP A FUND: WHY LIECHTENSTEIN?

EU compatible funds

Due to the Principality's membership in the European Economic Area (EEA), EU regulations are fully integrated into Liechtenstein law and investment companies and fund promoters benefit from the access to the European market.

Short authorization period and time-to-market

The maximum authorization period for UCITS is laid down by legislation. It amounts to a maximum of 10 working days. Alternative Investment Funds (AIF) only have to be notified to the Financial Market Authority (FMA). Nevertheless, they are regulated and directly supervised. If the AIF is to be distributed, a distribution notification is required, which the FMA usually confirms within 4 to 5 working days (by law, a maximum of 20 working days).

Cost-efficiency

Setup costs, ongoing administration and supervisory fees are competitive in comparison with other fund domiciles. Since the application of an all-in fee is common practice, fund promoters profit from a high cost planning reliability.

Attractive tax system for investment funds

Revenues from investment funds are tax-exempt in Liechtenstein, and investment funds are not subject of VAT and stamp duty. Except of one special legal form, funds are free of governmental charges for emissions or incorporations.

Broad spectrum of investment vehicles

On the framework of European requirements the Liechtenstein fund centre enables a multitude of possibilities in setting up investment vehicles and enables a significant degree of flexibility in regard to investment strategies.

Efficient legislation

The fast and efficient integration of EU regulation with respect to the finance sector has led to a high degree of legal certainty with optimal conditions for financial intermediaries.

High investor protection

Liechtenstein has introduced stringent rules of conduct to protect investors in the funds sector. Both the regulator and independent auditors scrutinise the activities of management companies and fund managers in the Principality.

Highly efficient banking system

The investment fund market benefits from access to a highly efficient banking system. The banks of the Principality are amongst the best-capitalised in the world and did not need any government assistance during the financial crisis.

Transparent finance centre

Due to the implementation of extensive tax agreements and due to the participation in the automatic exchange of information as an early adopter, Liechtenstein has been recognised as a leading jurisdiction for investment funds.

High level of political continuity and stability

The Principality has enjoyed the highest level of political, social, and economic stability over the past 300 years combined with a forward-looking, pro-business approach.

Solid fiscal policy and Liberal economic policy

Liechtenstein has no government debt and is one of only 11 countries worldwide with an AAA rating from Standard & Poor's. The liberal attitude of Liechtenstein's Government and its population is the reason for limited state intervention in the economy.

Customs and currency union with Switzerland

As a result of the customs and currency union, in Switzerland Liechtenstein funds are treated for stamp duty purposes in the same way as Swiss funds. This is often a clear advantage compared to funds from other EU/EEA countries.

Long-standing tradition in the area of private label funds

Liechtenstein has a long-standing tradition in asset management and in the banking industry and a proven experience in the area of portfolio structuring.

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