CORPORATE GOVERNANCE
Duties and Liabilities of board members in Investment Funds
The Legal Situation in Luxemburg and in Europe

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I. – Managers of an investment fund
   A. – Investment company
      1) Self-managed investment company
      2) Investment company managed by a “designated” management company
   B. – Contractual funds

II. - Rules of conduct regarding corporate governance in Investment Funds
   A. - Fiduciary duty
      1) Duty to act in the best interest
         a) Best interest of the investor or/and the UCITS?
         b) Best or sole interest of the investors?
      2) “Implementing” duties
         a) Duty of loyalty
         b) Duty of due care and diligence
         c) Duty to act independently
         d) Other duties
            - Duty of information
            - Duty of compliance
   B. - Duty to avoid and manage conflicts of interest

III. – Managers liability in Investment Funds
   A. - Civil liability
      1) Investment company
         a) Vis-a-vis the company
            1° Luxembourg 1915 Act (art. 59, al. 1 & 2)
            2° Tort liability
         b) Vis-a-vis the shareholders
         c) Vis-a-vis the third parties
      2) Contractual funds
   B. Criminal liability
      1) Criminal code
      2) 1915 Act criminal offenses
      3) 2010 Act regarding UCI (art. 165 to 171)
   C. Administrative liability