

Combined strength: Luxembourg and your fund administrator



Luxembourg's prominence as a fund hub is rooted in its reputation for stability, reliability and longevity. Here's why you should look for those same attributes in your service provider.

When you think of Luxembourg from a financial standpoint, strength and stability immediately come to mind. For decades, the country has built trust and credibility with and within the investment community. Luxembourg has remained solid and dependable throughout the years – even as other financial centers staggered under crises, downturns, pandemics and economic turmoil.

When you think of Luxembourg from a financial standpoint, strength and stability immediately come to mind. For decades, the country has built trust and credibility with and within the investment community. Luxembourg has remained solid and dependable throughout the years – even as other financial centers staggered under crises, downturns, pandemics and economic turmoil.

Starting a fund in Luxembourg offers numerous advantages, which is why the jurisdiction ranks as the largest in Europe and second largest in the world. But to maximize its benefits, you need an administrator with financial strength and stability to match. In this article, we hope you will learn what sets Luxembourg apart and why you should select a service provider with a solid reputation, robust balance sheet and profitable business that endures over time.

What's special about Luxembourg?

Several factors have enabled Luxembourg to thrive as a home for funds. Here are three of the most significant:

- **Reputation for reliability:** Luxembourg's strong reputation has grown from a government and regulatory approach that prioritizes innovation, pragmatism and efficiency. Officials have worked to maintain flexibility for the finance industry, which gives investors extreme confidence in the reliability of the Luxembourg product. "At its essence, Luxembourg is a brand," says Didier Delvaux, country head of Luxembourg for U.S. Bank. "It's a brand built on a reputation for being a stable domicile for mutual funds, and it's a brand that reaches across the world. The sheer size of the business and the fact that, for more than 30 years, it's remained largely untouched by any scandals or default is a testimony to the strength of that brand and the strength of that product range."
- **A future-focused outlook:** The fund industry in Luxembourg stays focused on the future instead of resting on its laurels. The country continues to lead the way with sustainable investing and other innovation, such as the RAIF (Reserve Alternative Investment Fund) and the SCSp (partnership structure), along with tools to support those structures. "The industry here is constantly looking ahead in terms of 'What are the next trends and the next opportunities?' to continue to support and grow the industry," said David Sload, managing director of Luxembourg for U.S. Bank.
- **Credibility and integrity:** The primary reason the Luxembourg reputation is so strong is that it bears the weight of credibility. There's confidence that when the government rolls out a product, guideline or framework, it has integrity – that it will, in fact, be put into place. Investors trust new Luxembourg products because they emerge from a long lineage of other products that have been highly successful and highly resilient.

Financial strength in a service provider

Investors are drawn to Luxembourg products because of the strength of the country, government and industry. But what's equally important, from a fund manager standpoint, is to find a local service provider that operates within the same framework of robustness, reliability and, most of all, trust.



“Many managers will actually specify that they want their provider in Luxembourg to be a big bank, because they want the reliability it brings,” said Didier. “They want to entrust their assets to a country that instills confidence. And within that country, they want a provider who’s robust and reliable as well.” A financially strong administrator provides several key advantages:

- **Well-developed infrastructure:**

Strong providers have significant capital that enables them to make significant commitments in terms of infrastructure, including human resources, systems resources and technology. Their stability permits a longer-term outlook, opposed to smaller firms with shorter-term outlooks and financial goals.

- **Risk mitigation:** Managers know a robust provider will have the capital to make the right investments to stay compliant with regulations. They know they’ll have the governance, framework and risk-management processes required to ensure compliance and minimize potential liabilities.

- **High credit rating:** Luxembourg has a AAA credit rating from S&P, the highest possible. Choosing a provider that also has a high credit rating reinforces that strength. This is highly attractive to managers looking to protect their investors’ assets.

By pairing the strength of Luxembourg with that of a stable service provider, you put your fund in a prime position to help promote its long-term success. Find an administrator with the right reputation, reliability and resources, and maximize the advantages that Luxembourg offers.

Visit usbank.com/lu for more information on our Luxembourg fund servicing solutions.



Investment and insurance products and services including annuities are:

NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

All U.S. Bank Global Fund Services entities are wholly-owned subsidiaries of U.S. Bank, N.A. Custody, lending, treasury and banking services are offered by U.S. Bank, N.A.

U.S. Bank Global Fund Services (Luxembourg) S.a.r.l. is registered in Luxembourg with RCS number B238278 and Registered Office: Floor 3, K2 Ballade, 4, rue Albert Borschette, L-1246 Luxembourg. U.S. Bank Global Fund Services (Luxembourg) S.a.r.l. is authorised and regulated by the Commission de Surveillance du Secteur Financier.

U.S. Bank Europe DAC Luxembourg Branch (trading as U.S. Bank Depositary Services Luxembourg) is registered in Luxembourg with RCS number B244276 and Registered Office: Floor 3, K2 Ballade, 4, rue Albert Borschette, L-1246 Luxembourg, regulated and authorised by the Central Bank of Ireland (CBI) as well as by the Commission de Surveillance du Secteur Financier (CSSF). Details about the extent of our authorisation and regulation by the CBI and the CSSF are available from us on request.

U.S. Bank Global Fund Services (Ireland) Limited is registered in Ireland, Company Number 413707. Registered Office at 24 - 26 City Quay, Dublin 2, Ireland. Directors: Eimear Cowhey, Ken Somerville, Hosni Shadid (USA), Barry O'Connor, Maureen Stanley. U.S. Bank Global Fund Services (Ireland) Limited is regulated by the Central Bank of Ireland.

U.S. Bank Global Fund Services (Guernsey) Limited is licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, by the Guernsey Financial Services Commission to conduct controlled investment business in the Bailiwick of Guernsey.

U.S. Bank does not guarantee products, services or performance of its affiliates and third-party providers.

©2025 U.S. Bank 1487902 (7/25)