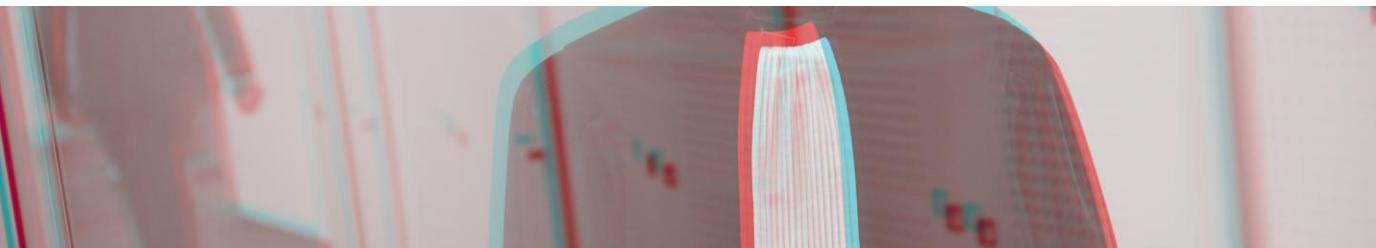


10 October 2011

FLASH NEWS LUXEMBOURG

NEW REGULATION 2011/08 OF THE CENTRAL BANK OF LUXEMBOURG

The Central Bank of Luxembourg imposes financial reporting obligations to companies granting or receiving loans or issuing debt securities or derivative instruments to affiliates.



www.opf-partners.com

LUXEMBOURG
291 Route D'Arlon
L-1150 Luxembourg
T: +(352) 46 83 83
F: +(352) 46 84 84

LONDON
10 Dominion Street
London, EC2M 2EF
T: +44 (0)20 7330 11 11
F: +44 (0)20 7330 11 12

BACKGROUND

One of the missions of the Central Bank of Luxembourg (the “BCL”) is to provide the European Central Bank with reliable statistics on the balance of payments and international investment position data of the Grand Duchy of Luxembourg.

In this respect, the BCL issued, on April 29th 2011, a new regulation 2011/8 (the “Regulation”) aiming at collecting statistics on financial activities of certain companies through monthly and quarterly reports.

COMPANIES AFFECTED

The Regulation applies to companies and branches having the following features:

- the registered or branch office is located in Luxembourg;
- the collection of statistical data is not covered by any other data collection scheme (e.g., if already regulated by the CSSF);
- the principal activity of the company is to receive or grant loans, or to issue debt securities or derivative instruments sold by public offer or by private investment;
- the funds received or granted shall finance the activities of affiliated companies; and
- the total balance sheet of the company exceeds EUR 500 millions.

In practice, the Regulation will mainly apply to “SOPARFI” (*sociétés de participations financières*) with a balance sheet of more than EUR 500 million.

REPORTING REQUIREMENT

The Regulation includes the following obligations:

- (i) to identify itself with the BCL within one month from the publication of the Regulation or from the date of incorporation of a company with activities targeted by the BCL; and
- (ii) to provide the BCL with the following reports:
 - A quarterly statistical report providing for the quarterly balance sheet of the company issued in accordance with the BCL accounting standards.
 - The first report relates to the quarter ending September 30, 2011 and is to be filed by October 21, 2011;
 - A quarterly transactions report including the information on transactions of the company.

- The first report relates to the quarter ending December 31, 2011 and to be filed by January 20, 2012;
- A monthly “security by security” report providing for securities (other than shares) held or issued by the company.
- The October report is to be filed by November 22, 2011¹.

The reports shall be filed in a specific format as required by the BCL and transmitted to the BCL through Cetrel or the Luxembourg Stock Exchange (Finesti).

Upon request of the BCL, the companies might have to transmit complementary information to be communicated within 15 days of the request. Exceptions may be granted upon request in the interest of good administrative practice and in respect of equal treatment,

The BCL has stressed the importance of the quality of the transmitted data and the necessity to submit it to the rules detailed in the documentation referred to on the BCL website. Only a rigorous control during the entire data production cycle will enable to respect the quality requirements and the reporting delays. This point is important since collected data will be double-checked by the European Central Bank before aggregating it with the data of the other Member states. Any error or important negligence will have harmful repercussions on the reputation of the whole community of the Luxembourg financial institutions.

The BCL intends to publish a list of companies failing to meet the obligations of the Regulation.

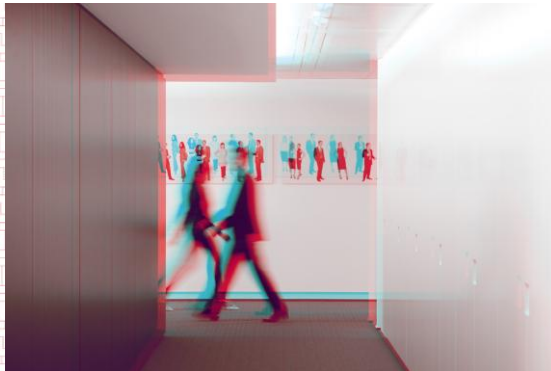
For further information, please contact

G rard Ma trejean
gmaitrejean@opf-partners.com

Delphine Temp 
dtempe@opf-partners.com

Jean-Marc Delcour
jmdelcour@opf-partners.com

Tel: +352 468383



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¹ Details concerning these reports can be found on the following link :
http://www.bcl.lu/fr/publications/Reglements_de_la_BCL/2011_8_-_FR/index.html