

# Luxembourg newsflash

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## Investments in China A-Shares via Stock Connect, acceptable in principle under UCITS

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Arendt & Medernach is delighted to inform you that, further to discussions with the Luxembourg Commission de Surveillance du Secteur Financier (the “**CSSF**”), we have obtained the confirmation that the CSSF has no objections to UCITS investing in China A-Shares using the Hong Kong – Shanghai Stock Connect platform. Specific conditions will however apply for each applicant and approvals will be granted on a case-by-case basis.

This important development means that, as of today, UCITS managers may consider taking a direct exposure to China A-Shares in three different manners, each subject to conditions and the prior approval of the CSSF, *i.e.* the qualified foreign institutional investor scheme (“**QFII**”), the RMB qualified foreign institutional investor scheme (“**R-QFII**”) and now Stock Connect.

Details regarding the conditions and requirements to make use of Stock Connect in a UCITS environment will be communicated separately.

Please contact us should you require any further information.

This publication is intended to provide information on recent legal developments and does not cover every aspect of the topics with which it deals. It was not designed to provide legal or other advice and it does not substitute for the consultation with legal counsel before any actual undertakings.

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