

PURE CAPITAL SERIES

*Vol.2 RAIFs in Luxembourg Life Insurance
CAA Circular 26/1*

THIS ISSUE

CAA Circular 26/1 marks an important development for Luxembourg wealth structuring: it formally unlocks the ability to embed RAIFs inside Luxembourg life insurance wrappers via FICs (Collective Internal Fund)/FIDs (Dedicated Internal Fund) for investor classes A-D, provided the RAIF is managed by a CSSF-supervised AIFM. This is more than a technical update: it merges the insurance wrapper's proven strengths (asset segregation, cross-border estate planning, beneficiary flexibility) with direct access to institutional-grade alternatives—private equity, private debt, real estate, infrastructure, and hedge strategies—within one regulated framework.

Pure Capital sits at the centre of this new opportunity, delivering regulated AIFM management, structuring know-how, and a scalable platform (including white-label solutions) to implement these new solutions with robust governance and risk oversight.



UNLOCKING RAIFs IN LIFE INSURANCE: PURE CAPITAL IN LUXEMBOURG'S NEW STRUCTURING ERA

Luxembourg continues to consolidate its position as a leading hub for cross-border wealth structuring, combining regulatory stability, investor protection, and structuring flexibility. The introduction of CAA Circular 26/1 marks a significant evolution in this landscape by formally expanding the eligibility of Reserved Alternative Investment Funds (RAIFs) within life insurance frameworks.

A MORE OPEN AND SCALABLE FRAMEWORK

A central advancement of Circular 26/1 lies in the broader eligibility of RAIFs within Luxembourg life insurance contracts. These vehicles can now be integrated through Collective Internal Funds (FICs) and Dedicated Internal Funds (FIDs) across investor categories A through D, provided the RAIF is managed by an AIFM authorised by the CSSF, and subject to the applicable CAA Circular 26/1 conditions and the insurer's acceptance.

This development removes many of the structural and operational frictions that previously limited the effective use of RAIFs in insurance wrappers. It enables a more scalable and transparent integration of alternative investment strategies while maintaining the regulatory safeguards that underpin Luxembourg's attractiveness.



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Risk Manager Liquid Strategies



MARKET MOMENTUM: RISING DEMAND FOR LUXEMBOURG INSURANCE STRUCTURES

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This trend reflects a broader reallocation of private wealth towards jurisdictions offering enhanced stability, cross-border portability, and long-term predictability. Luxembourg has naturally positioned itself at the centre of this movement, offering a well-established legal and regulatory framework adapted to increasingly sophisticated investor needs.

ACCESS TO INSTITUTIONAL-GRADE ALTERNATIVE INVESTMENTS

The expanded eligibility of RAIFs significantly enhances the investment capabilities available within life insurance contracts. Investors can now access a wide spectrum of alternative strategies—including private equity, private debt, real assets, and hedge fund approaches—within a regulated and tax-efficient wrapper.

This convergence eliminates the traditional trade-off between wealth structuring and access to high-performing alternative assets, allowing both dimensions to be addressed within a single, coherent framework.

PURE CAPITAL:

AN INTEGRATED PLATFORM FOR RAIF AND INSURANCE STRUCTURING

In this evolving environment, Pure Capital distinguishes itself through a fully integrated platform combining AIFM capabilities, investment management, and structuring expertise.

As an authorized AIFM, Pure Capital is able to establish and manage RAIFs that are fully compliant with the requirements of CAA Circular 26/1, enabling their seamless integration into Luxembourg life insurance solutions. Beyond regulatory compliance, the firm provides institutional-grade governance, risk management, and valuation oversight across the entire structure.

Its platform is designed to offer a high degree of flexibility and scalability, supporting:

- the structuring and deployment of bespoke RAIF solutions
- discretionary portfolio management across alternative and traditional asset classes
- the integration of these strategies within insurance wrappers (FICs (Collective Interna Fund)/FIDs (Dedicated Internal Fund))
- white-label solutions for private banks, family offices, and external asset managers

This approach allows partners to access a robust operational and regulatory infrastructure while maintaining full control over their client relationships and investment propositions.

A Strategic Positioning for the Future of Wealth Structuring

By combining structuring expertise with investment execution, Pure Capital enables clients to fully leverage the enhanced eligibility of RAIFs within Luxembourg life insurance. The result is a unified solution that addresses portfolio performance, regulatory compliance, and long-term wealth transmission objectives.

As demand for alternative investments and cross-border structuring continues to grow, platforms capable of delivering both technical sophistication and operational efficiency will play a central role. In this context, Pure Capital is uniquely positioned to support investors and partners in navigating this new phase of Luxembourg's wealth management landscape.



For further information or to discuss potential structuring opportunities, please contact Pure Capital. Our team would be pleased to exchange with you and explore how our platform can support your investment and wealth structuring objectives.

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