

Description of the LMDF fund

LMDF's vision is to contribute to the reduction of poverty by financially supporting organisations that reinforce small entrepreneurs and people excluded from the traditional financial system by stimulating entrepreneurship. The Fund facilitates access to responsible finance by building sustainable links between investors, microfinance institutions and ultimate beneficiaries.

Investing in LMDF is investing in the long term and accept that the financial performance may be lower than the one produced by purely financial investments, while taking in account its high social impact.

What are the investment objectives?

Investing in microfinance institutions (MFIs) located in Asia, Africa and Latin America with the intention of financing debt instruments proposed to their customers. The Fund may also invest in capital or issue guarantees in favour of MFIs.

And social objectives?

Contribute effectively with measurable effects on the financial inclusion of people without access to traditional banks. The Fund focuses on MFIs:

- acting for the development of women and the poor;
- which have a focus on rural areas;
- which actively work on developing projects for youth.

How to invest?

You can subscribe quarterly to LMDF through the main banks in Luxembourg with a notification period of 5 working days preceding the 31 March, 30 June, 30 September, or 31 December.

Simply go to your bank and inform them of your wish to invest in the Fund. Your bank adviser will find the Fund under its ISIN code:

ISIN CODE LU0456967404

Private investors

Risks and return

LMDF minimises its risks through a diligent selection of investments and risk diversification.

For Class C shares, restricted to private investors and non-for-profit associations, the counterparty risk, meaning the risk that the microfinance institution does not meet its financial obligations to the Fund, is covered by a loss compensation provided by Class A and A_{bis} shares, whose capital is subscribed by the Luxembourg Government and ADA.

It is important to note that the counterparty risk coverage does not include risks related to the country, currency, liquidity, operational or valuation risks. The risk coverage is not a guarantee that the net asset value per Class C share will never decrease.

Investors are requested to refer to the Fund's Prospectus for a detailed description of these risks and the instruments that the Fund uses to mitigate such risks.

Conditions and fees

Entry fees: According to distributor
Exit fees: Max: 2%, at the moment: 0%

Terms and operation

Type: SICAV Part II, self-managed
AIF: AIFM according to thresholds of art. 3
Compartments: Multiple
Launch: December 2009
Ref. currency: Euro
Distribution policy: Capitalisation
Subscription: Quarterly, notification 5 days
NAV calculation: Quarterly
Redemptions: Quarterly, notification 45 days
Min. investment: No minimum investment
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