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Tokenised funds: CSSF confirms that a control agent does not replace the registrar



On 2 October 2026, the CSSF published its first FAQ on tokenisation. The FAQ confirms that Luxembourg undertakings for collective investment (UCIs) may issue units or shares natively on distributed ledger technology (DLT), in either registered or dematerialised form. In particular, it clarifies how the control agent, a role introduced by Blockchain Law IV, relates to the UCI administrator (UCIA) in charge of the registrar function.

A control agent does not replace a registrar

Blockchain Law IV (the Law of 20 December 2024) amended the Law of 6 April 2013 on dematerialised securities to create the role of control agent. Appointed by the issuer, the control agent keeps the issuance account of dematerialised securities on a distributed ledger or similar secure electronic recording device. It also monitors the chain of holdings and verifies that the securities issued match those held in securities accounts. Only a credit institution, an investment firm or a settlement organisation may act in this capacity.

These tasks are, however, narrower than the registrar function performed by a UCIA under points (19) et seq. of Circular CSSF 22/811. The CSSF therefore makes clear that appointing a control agent does not eliminate the need for a UCIA to perform the registrar function. An eligible entity, such as the investment fund manager (**IFM**), a registrar agent or a credit institution authorised to act as UCIA, must still perform all remaining registrar tasks.

This does not, however, necessarily require the appointment of two separate service providers. A UCIA may also act as control agent, provided it meets the applicable eligibility and authorisation requirements and has complied with the notification requirements for control agent activities.

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Traditional and tokenised units side by side

The FAQ also confirms that a UCI may issue traditional and tokenised units or shares side by side. In that case, the registrar function may be divided among several UCIAs, provided that:

- the division of responsibilities does not fragment the structure to such an extent that coordination and overall supervision become difficult, or create unjustified costs or complexity;
- the operating model and its risks are adequately disclosed to investors, with the offering documents identifying each UCIA and describing its respective function;
- the IFM or one of the UCIAs maintains a consolidated overview of all units or shares issued, for example, to calculate the NAV per share, distributions and capital calls;
- the IFM and/or the UCI properly manage the additional risks resulting from the split of functions; and
- all applicable legal requirements continue to be met, including, where relevant, keeping the register of registered shares at the UCI's registered office.

Becoming a control agent

Entities intending to act as control agents are encouraged to engage with the CSSF at an early stage. After presenting their operating model, they must notify the CSSF at least two months before starting the activity; this period only begins once the CSSF has confirmed that the notification is complete. Entities should also bear in mind that the CSSF considers it highly likely that the control agent activity qualifies as a critical or important function under DORA.

How we can help

Luther advises fund initiators, IFMs, UCI administrators and credit institutions on tokenised fund structures, including, where appropriate, liaising with the CSSF and preparing fund documentation. Please feel free to get in touch with your usual Luther contact or one of the contacts below.

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