

# Investors seek €50m from Alter Domus in lawsuit

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[Alter Domus](#) faces a civil lawsuit over alleged irregularities in a sub-fund that was managed by a firm that it bought at the end of 2017. Pictured: Alter Domus [HQ](#) in Cloche d'Or. Photo: Matic Zorman

The new management of a liquidated alternative investment fund have sued Alter Domus for the restitution of roughly €48m in assets and the reimbursement of €1.7m in management and service fees. The case involves a company [acquired by Alter Domus in December 2017](#); Alter Domus said this week that it has been investigating “historical activity” at the outfit and is cooperating with authorities.

The alleged misconduct surrounds the Columna Commodities sub-fund, which was part of the LFP I SICAV umbrella fund, according to a legal document seen by Delano. LFP I SICAV was run by a management company called Luxembourg Fund Partners. Luxembourg Fund Partners was renamed Alter Domus Management Company after its takeover was completed in March 2018.

[Reuters news agency reported](#) on 18 April that:

“Columna made double-digit gains in 2014, 2015 and 2016 investing in a range of commodity products, according to information it sent its investors. But it then closed abruptly in December 2016 without returning any of its assets.”

The Columna Commodities sub-fund was liquidated in February 2017, according to the plaintiffs. A new board of directors took over management of LFP I SICAV from Alter Domus in February 2019. The new board filed the case in Luxembourg City district court on 16 April 2019. According to the plaintiff’s press release:

“LFP I SICAV SIF is suing ADMC for the investment losses incurred by Columna, while managed by ADMC, in the amount of US\$53,925,000 and €410,000, plus interest, as well as management & performance fees in the amount of €1,720,260.37 for the period 2013-2016.”

Alter Domus said in a statement to Delano on 19 April that:

“Following the acquisition of the management company Luxembourg Fund Partners

(LFP) in December 2017, Alter Domus became aware that between the years 2013 to 2016 significant issues had occurred at the Columna Commodities Fund (in liquidation as of February 2017) – a LFP I SICAV S.A. sub-fund, for which LFP was the Alternative Investment Fund Manager (AIFM) since early 2016. Since then we have worked closely with the relevant authorities to understand the true extent of the historical activity. We have engaged various external firms to assist with our investigation, the findings of which has led to the commencement of legal actions. Our ability to communicate throughout this process will remain limited until the legal action is settled.”

Alter Domus is a fund and corporate services provider based in Cloche d’Or. According to [its website](#), it has \$505bn in assets under administration and \$90bn in assets under depositary.

[Alter Domus](#) • [Luxembourg Fund Partners](#) • [LFP I SICAV](#) • [luxembourg](#) • [funds industry](#) • [alternative funds](#) • [legal](#) • [Columna Commodities Fund](#)