

# VARIABLE CAPITAL COMPANIES BILL MOVED FOR FIRST READING IN PARLIAMENT ON 10 SEPTEMBER 2018

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Category: [CNPupdates](#)

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On 10 September 2018, the Variable Capital Companies Bill (“**Bill**”) was moved for the first reading in Parliament paving the way for an alternative form of a corporate vehicle under Singapore Law for use as a collective investment scheme (“**CIS**”) – the Variable Capital Company (“**VCC**”). This Bill came on the back of a consultation paper and draft legislation issued by MAS (“**Consultation Paper**”) in March to April last year. On the same day, the Bill was read, MAS also issued its response to the feedback received from the Consultation Paper and also an explanatory brief on the Bill.

If the Bill is passed, the VCC regime will be a useful addition to the existing forms available to use for CIS, namely, a company under the Companies Act (Cap. 50), a unit trust, and a limited partnership. Further, it is envisaged that the proposed legal framework will provide investment managers with great operational flexibility in the constitution of funds in Singapore, further strengthening Singapore’s position as a full-service international fund management centre.

**Relevant Weblinks:**

- The Bill can be accessed at the following [weblink](#).
- MAS’ response to the feedback received for the Consultation Paper can be assessed at the following [weblink](#).
- MAS’ explanatory brief on the Bill can be assessed at the following [weblink](#).

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