

Is a VCC Structure Right for your Fund?

Considerations When Leveraging the Singapore Structure

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Will the VCC structure support my fund?

- The VCC structure supports all types of funds and managers
- Both open and closed ended funds are able to take advantage of the VCC structure

What are the operational (setup) requirements of a VCC?

- Funds will require a Singapore registered office, resident director, company secretary and auditor
- At least one Director of the VCC must also be a director of the fund manager
- Other service providers can be utilized from various jurisdictions
- Singapore based fund administrator is required to avail of tax exemptions

What are the regulation and oversight requirements of a VCC?

- Except for retail funds, a VCC structure is typically lightly regulated and regulatory approvals are usually not required (as the fund or investment manager is the regulated entity)
- Fund managers may delegate functions to fund managers licensed in other jurisdictions
- VCC's require a Singapore licensed fund manager

What are the specific cost efficiencies offered with the VCC Structure?

- Other tax incentives (incl. 13R/13X, SUTES, GST remission) are available to VCC's who meet the individual requirements
- The Monetary Authority of Singapore offers a VCC Grant covering 70% of startup costs or up to 150K SGD (~110K USD); which can be applied to your first 3 launches
- VCC Grant Scheme is available for qualifying incorporation and registration expenses (legal, tax, fund admin) that have been paid to Singapore based providers

Other Benefits to the VCC Structure

- The APAC region has traditionally leveraged the Cayman Islands as their preferred domicile and the VCC structure now presents an opportunity to establish a fund with similar tax benefits
- Local managers are able to work more productively with regulators and service providers as they are in a convenient time zone
- APAC investment managers have traditionally availed themselves of the US "Check the Box" tax election and can use US GAAP for reporting

Hear insights, perspectives, and best practices when launching or redomiciling funds in Singapore from these experts [HERE](#)