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VARIABLE CAPITAL COMPANIES ACT 2018
(ACT 44 OF 2018)

VARIABLE CAPITAL COMPANIES
(DISSOLUTION OF SUB-FUNDS AND STRIKING OFF
OF VCCS' NAMES) REGULATIONS 2020

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In exercise of the powers conferred by section 165 of the Variable Capital Companies Act 2018, the Minister for Finance makes the following Regulations:

PART 1

PRELIMINARY

Citation and commencement

1. These Regulations are the Variable Capital Companies (Dissolution of Sub-funds and Striking Off of VCCs' Names) Regulations 2020 and come into operation on 14 January 2020.

Definitions

2. In these Regulations, unless the context otherwise requires —

“Modification Regulations” means the Variable Capital Companies (Modifications to Subdivision 5 of Division 4 of Part X of Companies Act for Sub-funds) Regulations 2020 (G.N. No. S 25/2020);

“register of VCCs” means the register kept by the Registrar for the purpose of registering VCCs under section 16(4) of the Act;

“regulator” means a statutory body or an authority conferred with supervisory or regulatory functions under a statute;

“regulatory action” means any action that may be taken —

(a) against a VCC by a regulator for a breach of —

(i) any condition of a licence, registration, permit, permission or consent, or an approval, authorisation or exemption (however described) granted to the VCC, under any written law;

(ii) any condition imposed on the suspension of a licence, registration, permit, permission or consent, or an approval, authorisation or

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- exemption (however described) granted to the VCC, under any written law; or
- (iii) any direction issued to the VCC under any written law; or
- (b) against an umbrella VCC on account of its sub-fund for a breach of —
- (i) any condition of an approval or authorisation (however described) of the sub-fund under any written law;
- (ii) any condition imposed on the suspension of an approval or authorisation (however described) of the sub-fund under any written law; or
- (iii) any direction issued to the umbrella VCC in respect of its sub-fund under any written law.

PART 2

DISSOLUTION OF SUB-FUND

Grounds and conditions for declaring sub-fund dissolved on application by umbrella VCC

3.—(1) This regulation sets out, for the purposes of section 33 of the Act (read with section 344A(1) of the Companies Act (Cap. 50) as modified by regulation 2 of the Modification Regulations), the grounds and conditions on which the Registrar may declare a sub-fund of an umbrella VCC to be dissolved on the application of the umbrella VCC.

(2) The Registrar may declare the sub-fund of an umbrella VCC dissolved on the ground that the umbrella VCC —

- (a) has not started to carry on any business in relation to the sub-fund or has not begun operation of the sub-fund; or
- (b) has ceased to carry on any business in relation to the sub-fund or has ceased to operate the sub-fund.

(3) The conditions on which the Registrar may declare the sub-fund of an umbrella VCC dissolved on the application of the umbrella VCC are —

- (a) the umbrella VCC is not, on account of the sub-fund, a party to any ongoing or pending proceedings (whether civil or criminal) before a court, whether in Singapore or elsewhere;
- (b) the sub-fund has no asset or contingent asset and no liability or contingent liability; and
- (c) the umbrella VCC is not, on account of the sub-fund, subject to any ongoing or pending regulatory action.

Prescribed period to show cause

4.—(1) For the purposes of section 33 of the Act (read with section 344A(4)(b) of the Companies Act as modified by regulation 2 of the Modification Regulations), a person has 60 days after the date of notice of intention to declare a sub-fund dissolved within which to show cause why the Registrar should not declare the sub-fund dissolved.

(2) In this regulation, the reference to the date of notice of intention to declare a sub-fund dissolved means the date on which notice is first published in the *Gazette* under section 33 of the Act (read with section 344A(4) of the Companies Act as modified by regulation 2 of the Modification Regulations).

Form of notice of objection to dissolution of sub-fund

5. For the purposes of section 33 of the Act (read with section 344C(2) of the Companies Act as modified by regulation 2 of the Modification Regulations), the form of a notice of objection to the dissolution of a sub-fund is that provided on the electronic transaction system mentioned in section 10 of the Act, or any other form that the Registrar accepts.

Considerations in deciding to allow objection to dissolution of sub-fund

6.—(1) For the purposes of section 33 of the Act (read with section 344C(3)(b) of the Companies Act as modified by regulation 2 of the Modification Regulations), in deciding whether to allow an objection to the dissolution of a sub-fund, the Registrar must take into account the considerations mentioned in paragraph (2).

- (2) For the purposes of paragraph (1), the considerations are —
- (a) the reasons submitted to the Registrar for the objection;
 - (b) any supporting document and information submitted with the objection; and
 - (c) any other document or information submitted to the Registrar following the Registrar's request.

PART 3**STRIKING OFF OF VCC'S NAME****Grounds and conditions for striking off VCC's name on application of VCC**

7.—(1) This regulation sets out for the purposes of section 130 of the Act (read with section 344A(1) of the Companies Act), the grounds and conditions on which the Registrar may strike the name of a VCC off the register of VCCs on the application of the VCC.

(2) The Registrar may strike the name of a VCC off the register of VCCs on the ground that the VCC —

- (a) has not started to carry on any business or has not begun operation; or
- (b) has ceased to carry on any business or has ceased to operate.

(3) The conditions on which the Registrar may strike the name of a VCC off the register of VCCs on the application of the VCC are —

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- (a) the VCC is not a party to any ongoing or pending proceedings (whether civil or criminal) before a court, whether in Singapore or elsewhere;
 - (b) the VCC has no asset or contingent asset and no liability or contingent liability; and
 - (c) the VCC is not subject to any ongoing or pending regulatory action.

Prescribed period to show cause

8.—(1) For the purposes of section 130 of the Act (read with section 344A(4)(b) of the Companies Act), a person has 60 days after the date of notice of intention to strike the name of a VCC off the register of VCCs within which to show cause why the Registrar should not exercise the power to strike the name of the VCC off the register of VCCs.

(2) In this regulation, the reference to the date of notice of intention to strike the name of a VCC off the register of VCCs means the date on which notice is first published in the *Gazette* under section 130 of the Act (read with section 344A(4) of the Companies Act).

Form of notice of objection to striking off VCC's name

9. For the purposes of section 130 of the Act (read with section 344C(2) of the Companies Act), the form of a notice of objection to the striking off of the name of a VCC from the register of VCCs is that provided on the electronic transaction system mentioned in section 10 of the Act, or any other form that the Registrar accepts.

Considerations in deciding to allow objection to striking off VCC's name

10.—(1) For the purposes of section 130 of the Act (read with section 344C(3)(b) of the Companies Act), in deciding whether to allow an objection to the striking off of a VCC's name from the register of VCCs, the Registrar must take into account the considerations mentioned in paragraph (2).

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- (2) For the purposes of paragraph (1), the considerations are —
- (a) the reasons submitted to the Registrar for the objection;
 - (b) any supporting document and information submitted with the objection; and
 - (c) any other document or information submitted to the Registrar following the Registrar’s request.

Conditions for applications for administrative restoration of VCC

11.—(1) For the purposes of section 130 of the Act (read with section 344D(1) of the Companies Act), an application to the Registrar to restore to the register of VCCs the name of a VCC that was earlier struck off the register of VCCs under section 130 of the Act (read with section 344 of the Companies Act) may only be made if all the following conditions are satisfied:

- (a) the VCC was, at the time of striking off, carrying on business or was in operation;
- (b) where any property of the VCC is vested in the Official Receiver under section 130 of the Act (read with section 346 of the Companies Act), the Official Receiver has consented in writing to the restoration of the name of the VCC to the register of VCCs;
- (c) the VCC has lodged, or has given an undertaking acceptable to the Registrar to lodge, all documents relating to the VCC or all or any of its sub-funds, that are necessary to bring the Registrar’s records up to date;
- (d) the VCC has paid or caused to be paid, or has given an undertaking acceptable to the Registrar to pay or cause to be paid, any outstanding fee or penalty under the Act that was payable by the VCC, its former directors or both, at the time of striking off.

(2) In this regulation, “time of striking off”, in relation to a VCC, means the time at which the name of the VCC was struck off the register of VCCs under section 130 of the Act (read with section 344 of the Companies Act).

Made on 13 January 2020.

TAN CHING YEE
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Singapore.*

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