

Consultation Note:

The Anguilla Business Companies (“ABC”) Bill

The Variable Capital Companies (“VCC”) Bill

The Anguilla Financial Services Commission (the “Commission”) in collaboration with the Anguilla Commercial Registry have issued the draft ABC Bill and the draft VCC Bill for consultation. As a part of ongoing legislative reform, these Bills are a part of the update to Anguilla’s **companies** regime. The **Anguilla Business Company** provides for a flexible companies regime that increases the types of legal structures that can be formed. The ABC Bill specifically, from the time it enters into force, allows for the incorporation of companies that can conduct business globally, and/or domestically in Anguilla while complying with **international standards**.

The ABC Bill is intended to be the core legal structure for regulating the incorporation and operation of several types of companies. These include companies limited by shares; companies limited by guarantee not authorised to issue shares; companies limited by guarantee authorised to issue shares; unlimited companies authorised to issue shares; unlimited companies not authorised to issue shares; restricted purposes companies; and segregated portfolio companies (“SPCs”); private (limited) companies (“PvT”) which allows for a structure to be incorporated that is better suited to closely held operations, such as family business; and private trust companies (“PTCs”) which conduct only trust business that is “**connected trust business**”. Companies can also be incorporated as restricted purposes companies, which are typically companies limited by shares but with clearly restricted objects or purposes.

The **Variable Capital Company** is a relatively new corporate structure specifically designed for hedge funds. Modelled from the Singaporean law, the variable capital company provides flexibility in the issuance and redemption of shares, allows for payment of dividends from capital and other features. Similar to the Singaporean VCC, where the relevant regulatory authority is the supervisor of Trust and Corporate Services Providers, the Anguillian VCC will be administered by the Commission.

The draft Bills allow for the modernisation of the Anguillian companies regime, which contemplates the current and future needs for domestic and international business purposes.

The Commission hereby invites persons to provide comments to the draft ABC Bill and VCC Bill. Persons are invited to provide their comments no later than Monday, 30th November, 2020 to the Commission at sherine.brooks@afsc.ai

END

Oct 15, 2020