

Monetary Authority of Singapore (“MAS”)
10 Shenton Way, MAS Building
Singapore 079117

Sent via email

Attention: Mr. Feng Fumin, Ms. Valerie Tong

28 January 2026

Dear Fu Min, Dear Valerie

Feedback following VCC Briefing Session

Dear Fu Min, Dear Valerie,

Thank you for yesterday's session. It was informative and addressed many concerns the industry have raised since the June 2025 circular.

We acknowledge that market misinterpretation following the circular was overblown.

Some institutional allocators and offshore counsel questioned whether Singapore still welcomes certain VCC structures, a reading that, as yesterday's briefing clarified, overstates MAS's intent.

We also view the circular as a positive signal. With over 1,400 VCCs, 3,300 sub-funds, and an adoption rate exceeding half of Singapore's licensed fund managers, the framework's success has inevitably surfaced edge cases. That MAS is engaging proactively reflects well on Singapore's supervisory approach and reinforces confidence in the VCC as a durable vehicle.

We have three follow-up questions for MAS's consideration:

1. Sharing Yesterday's Guidance

Would MAS be open to AIMA sharing the content or materials from yesterday's session with our members? AIMA represents alternative investment managers in more than 60 countries, many of whom are considering or already using VCC structures. A webinar or published summary covering acceptable versus prohibited arrangements would help align global managers around MAS's expectations.

2. Single-Investor Structures – Legal Shareholder vs Economic Beneficiary

My reading from yesterday's session is that certain single-investor / single-asset structures are prohibited. The session helpfully confirmed that sovereign wealth fund investments and large institutional single-project arrangements may be acceptable on a case-by-case basis.

However, many legitimate fund architectures involve a single legal shareholder at the VCC level while aggregating multiple economic beneficiaries underneath. For example, a master fund with one feeder pooling 200 underlying LPs, or a nominee account representing dozens of institutional clients is not uncommon.

Does MAS assess "single investor" at the direct VCC shareholder level, or on a look-through basis to ultimate economic beneficiaries? Would MAS consider providing safe-harbour examples or indicative factors so managers can self-assess with confidence?

3. Substantive Fund Management for Illiquid Strategies

For private credit, real assets, or co-investment vehicles where active trading is structurally limited, what evidence of substantive fund management would satisfy MAS? Yesterday's briefing emphasised meaningful influence over investment decisions and portfolio construction. For illiquid strategies, this might manifest differently through deal sourcing, credit underwriting, portfolio monitoring, or exit execution rather than trading frequency.

Would MAS consider articulating how the "substantive" test applies to inherently buy-and-hold mandates, to distinguish legitimate portfolio construction from impermissible repackaging?

We remain committed to working constructively with MAS on VCC framework enhancements as we have from day one.

Thank you again for yesterday's engagement.

Warm regards,



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Co-Head of APAC
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