

BVI Expands Available Uses of Segregated Portfolio Companies (SPC)

October 2018

Important amendments have been made to BVI SPC legislation allowing for wider use by Business Companies. Prior to these recent amendments, BVI SPCs could only be used for regulated investment funds and insurance companies. Pursuant to the BVI Business Companies (Amendment) Act, 2018 and the Segregated Portfolio Companies (BVI Business Company) Regulations, 2018 that came into force on 1 October 2018 BVI Business Companies that are not conducting any regulated financial services business are now allowed to incorporate or register as segregated portfolio companies, for instance an SPC may be used for any of the following purpose:

- a) holding assets for high net worth person, including institutional investors;
- b) operating multiple businesses or types of business, including setting up new business ventures, which require segregation from the business of the segregated portfolio company;
- c) engaging in property development and management, including the acquisition of, trading in, leasing of, or otherwise generally dealing in, real estate, ships, aircraft, and other property which the company considers will be more efficient and cost-effective to be managed or otherwise dealt with through a segregated portfolio;
- d) engaging in bankruptcy remote vehicles in structures finance and capital markets transactions; and
- e) performing such other duties, responsibilities and investments as are not inconsistent with any restriction or prohibition under the Act or these Regulations.

Should you wish to establish a BVI SPC or have questions about them, please do not hesitate to contact us.