

INVESTOR (INVESTOR 2) CATEGORY CHANGES



QUEEN CITY LAW

1. Summary of changes

There have been recent changes to the Investor (Investor 2) Category. Please refer to the below summary of changes:

- i. Increase of funds required for Investor 2 migrants to \$3million;
- ii. Reduction in points for investment funds;
- iii. Removal of the requirement for Investor 2 applicants to hold \$1 million in settlement funds;
- iv. Increased points for Investor 2 migrants with a high skill level in English;
- v. Increase of the annual Investor 2 cap to allow entry of 400 migrants;
- vi. Allowance for 15% of investment fund to be made in accepted philanthropic investments ;
- vii. Additional 20 points and flexibility for investment in growth investments;
- viii. Increased points for Investor 2 migrants with a high level of business experience; and
- ix. Streamlining of points with age.

2. Increased points for migrants with a high skill in English

Most notably, migrants with a strong grasp of the English language have access to 20 points if they can score an overall IELTS score of 8 or greater. Given that the minimum point threshold has not increased, migrants with strong English will therefore have a competitive advantage over those without strong English. A migrant with an IELTS score of 3 and identical age and business experience would have to nominate an additional \$1 million in investment funds compared to a migrant with an IELTS score of 8 or greater.

3. Growth Investments

Secondly there is an important shift to recognize investment in growth investments. Migrants who invest nominated funds into growth investments have access to an additional 20 points. The additional points are significant, to gain a similar amount of points a migrant is required to nominate an additional \$1 million in investment funds. Furthermore migrants who invest in growth investments are allowed to spend 438 days over four years as they choose instead of being restricted to spending 146 days across years two, three and four. We note growth investments are generally high risk.

Currently 'growth investments' are defined as all 'acceptable investments' except investments in bonds and philanthropic investment.

4. Points from investment funds

Due to the increase in settlement funds required, the points allocated for investment funds has changed. The changes reflect a decrease of 10 points from investment funds. A migrant with \$2 million in investment funds and \$1 million in settlements funds would have been able to claim 20 points. However currently a migrant after May 2017 with \$3 million in investment funds can only claim 10 points.

5. Increased points to recognize business experience

Additional points can now be claimed for 11-15+ years of business experience.

