

GC 2019 / **XXX**



Business Migrant Endorsement Policy

For applications for a Letter of Endorsement under
Appendix X of the Immigration Rules

Contents

1. Introduction
2. General requirements
3. Application process overview
4. Review of decision
5. Maintenance funds
6. Source of funds
7. Due diligence
8. Monitoring
9. Letter of Endorsement
10. Withdrawal of Endorsement
11. Requirements for the issue of a Letter of Endorsement
 - 11.1 Start-up
 - 11.10 Innovator
 - 11.24 Investor
- Appendix A – Summary of investment requirements / business proposals

1. Introduction

- 1.1. The Department for Enterprise ('the Department') is the first point of contact for those seeking to apply to under Appendix X of the Isle of Man Immigration Rules as a Start-up, Innovator or Investor Migrant;
- 1.2. All applicants must first obtain a Letter of Endorsement from the Department before making an application for Entry Clearance, Leave to Remain or Indefinite Leave to Remain under Appendix X of the Immigration Rules;
- 1.3. An overview of the process is contained within this Policy and is subject to revision from time to time. A Revised Policy will be published on the Department's website.
- 1.4. Where this Policy refers to paragraphs of the immigration rules, those references relate to paragraphs of Appendix X of the Immigration Rules unless stated otherwise.

2. General requirements

- 2.1. Any investment must be made in terms which benefit the Island as determined by the Minister for Enterprise, or someone duly authorised under delegated authority;
- 2.2. Only investments to be made in, or businesses to be established in, the Island will be considered as permissible when assessing an application for a Letter of Endorsement;
- 2.3. The nature of the investment, or the establishment of a business, must not be one which in the opinion of the Department will cause reputational harm to the Island;
- 2.4. Applications must be submitted using the prescribed application form as published by the Department;
- 2.5. Applicants are encouraged to make as full a submission as possible, including all required information and, where appropriate, additional evidence to support their application;
- 2.6. The application will include consent from the applicant for the Department to conduct necessary background checks, due diligence and for such to be shared with the Immigration Office, an office within the Cabinet Office.

3. Application process overview

Initial Application Stage

- 3.1. An application must be submitted on the relevant application form and all evidence required should be provided at the time of application;
- 3.2. An initial assessment of the application will be made to determine if it appears to meet the required criteria in terms of investment and / or business proposal;
- 3.3. The Department will give applicants a further opportunity to expand their proposals, or provide additional information, when it is not initially clear if they are likely to be eligible.

Formal Assessment

- 3.4. Applicants who progress through the Initial Application Stage will be subject to a formal assessment process. Due diligence will be undertaken together with a detailed assessment of investment proposals and business plans, taking into account the requirements of this Policy;
- 3.5. If the Department is satisfied as to the legitimacy of the application, business proposal and / or investment plans, a Letter of Endorsement will be issued to the applicant;
- 3.6. Where the Department is unable to provide a letter of endorsement, the applicant will be furnished with details of the reasons behind the decision.

4. Review of decision

- 4.1. In cases where the Department is unable to provide a Letter of Endorsement, the applicant will be entitled to request a review of the decision;
- 4.2. An applicant must make a request for a review in writing as soon as practical after the issuing of the decision, and in all cases no later than 28 days from the date of decision;
- 4.3. A request for a review must clearly set out where the applicant feels the Department has erred in assessing the application against this Policy;
- 4.4. The Department will nominate a Senior Officer, who has not previously been involved in the decision making process to review the decision;
- 4.5. The review decision will be informed to the applicant and the outcome of this review is final.

5. Maintenance Funds

- 5.1. The applicant must demonstrate that they hold sufficient funds to maintain themselves as set out in paragraph 4.9 of Appendix X of the Immigration Rules;
- 5.2. Evidence of these funds must be supplied by the applicant with the Letter of Endorsement application.

6. Source of funds

To be completed following consultation with stakeholders (including FIU)

7. Due diligence

To be completed following consultation with stakeholders (including FIU)

8. Monitoring

- 8.1. Following the issue of the Letter of Endorsement, the Department will maintain regular contact with the applicant at maximum intervals of 6, 12 and 24 months, to ensure targets outlined in the investment or business proposals are being met;
- 8.2. Failure to respond to requests for information, or clarification on the progress of the planned investment or business proposals will lead to the withdrawal of the Letter of Endorsement;
- 8.3. If it appears to the Department that the applicant is no longer pursuing their original investment or business proposals for which the Letter of Endorsement was issued, the applicant will be requested to demonstrate that they pursuing new investment or business opportunities that meet the requirements of this Policy;
- 8.4. If the Department is not satisfied that the applicant is genuinely pursuing investment or business plans which meet the criteria laid out in this Policy, the Letter of Endorsement will be withdrawn.

9. Letter of Endorsement

- 9.1. If the applicant meets the criteria set out in this Policy a Letter of Endorsement will be issued by the Department;
- 9.2. If the applicant fails to meet the criteria set out in this Policy a Letter of Endorsement will not be issued;
- 9.3. The Department can withdraw the Letter of Endorsement in accordance with paragraph 10 of this Policy.

10. Withdrawal of Endorsement

Any Letter of Endorsement issued by the Department will be withdrawn if:

- 10.1. the applicant fails to invest in accordance with the proposals for which the Letter of Endorsement was issued;
- 10.2. the applicant fails to establish the business, or businesses, as outlined in their application for a Letter of Endorsement;
- 10.3. the applicant fails to respond to requests for information, or clarification on the progress of the planned investment and / or establishment of business, or businesses;
- 10.4. the Department is in any doubt as to the conduct of an applicant;
- 10.5. If a Letter of Endorsement is withdrawn, the Department will immediately notify the applicant and the Isle of Man Immigration Office, resulting in the curtailment of leave in accordance with paragraph 3.3 of the Immigration Rules.

11. Requirements for the Issue of a Letter of Endorsement

11.1. Start-up business

Entry Clearance

- 11.2. A full business plan will be required demonstrating innovation, viability and scalability of the proposed business, which should include as a minimum;
- a) Full details of the business idea, demonstrating unique or innovative business proposition which will complement existing market needs;
 - b) business model, together with short and long term objectives, key customers, confirmed orders or customer interest etc.;
 - c) employment structure including expected numbers of employees, types of jobs, wage rates etc.;
 - d) information as to premises – whether owned or rented and the location. Where premises are rented or leased, details of owners and annual costs (including rent and any service charge contributions and/or other regular outgoings);
 - e) marketing plan including whether customers are off-Island or on-Island;
- 11.3. The application should include a full CV/resume for the applicant, demonstrating their skills, knowledge and experience relevant to their application for a Letter of Endorsement;
- 11.4. The planned business must have received approval from a Government approved initiative or Scheme, such as:
- a) The Isle of Man Blockchain office
 - b) Enterprise Development Scheme
 - c) Financial Assistance Scheme
- 11.5. The applicant must have sufficient funds available to maintain themselves as set out in paragraph 4.9 of the Immigration Rules. The Department will require evidence of such funds in the manner prescribed in the Immigration Rules as part of the application for Endorsement;
- 11.6. The applicant must be at least 18 years old and the assets and investment he or she is relying on in support of the application must be wholly under his or her control;
- 11.7. The Department reserves the right to request further information as it may deem relevant.

Leave to remain

- 11.8. Leave to remain is not available under this route and an application must be made under the Innovator route.

Indefinite leave to remain

- 11.9. Indefinite leave to remain is not available under this route.

11.10. Innovator

Entry Clearance

- 11.11. The proposed business, or businesses, to be established or to receive investment, must be wholly registered in the Isle of Man and the nature of the business must not be one which in the opinion of the Department will cause reputational harm to the Isle of Man;
- 11.12. The applicant must hold a minimum of £50,000 in their full control which is free to invest in the business or businesses, unless he or she are switching from the start-up route;
- 11.13. If you're using your own money to invest, you should be able to show:
- a) how much money you have and where it's being held;
 - b) where the money came from if you've had the money for less than 2 years, for example you inherited it from a relative;
 - c) that the money can be transferred to the Isle of Man and converted to sterling (if it's not already in the Island).
- 11.14. The Department will require evidence in respect of the source of funds as set out in paragraph 6 of this Policy;
- 11.15. A full business plan will be required demonstrating viability, scalability and expected job creation which should include;
- a) business model, together with short and long term objectives, key customers, confirmed orders or customer interest etc.;
 - b) employment structure including expected numbers of employees, types of jobs, wage rates etc.;
 - c) information as to premises – whether owned or rented and the location. Where premises are rented or leased, details of owners and annual costs (including rent and any service charge contributions and/or other regular outgoings);
 - d) marketing plan including whether customers are off-Island or on-Island;
- 11.16. The applicant must have sufficient funds available to maintain themselves as set out in paragraph 4.9 of the Immigration Rules. The Department will require evidence of such funds in the manner prescribed in the Immigration Rules as part of the application for Endorsement;
- 11.17. The applicant must be at least 18 years old and the assets and investment he or she is relying on in support of the application must be wholly under his or her control;
- 11.18. The Department reserves the right to request further information as it may deem relevant.

Leave to remain

- 11.19. An application for a Leave to Remain Letter of Endorsement must be made by an applicant prior to making an application for Further Leave to Remain;
- 11.20. An application for a Leave to Remain Letter of Endorsement must demonstrate:
 - a) That the applicant has fully established their business as outlined in the original application for a Letter of Endorsement; or
 - b) That they have made substantial progress towards their objectives and have a realistic prospect of completing planned investment and business development;

Indefinite leave to remain

- 11.21. An application for an Indefinite Leave to Remain Letter of Endorsement must be made by an applicant prior to making an application for Indefinite Leave to Remain;
- 11.22. An application for an Indefinite Leave to Remain Letter of Endorsement must demonstrate:
 - a) That the applicant has fully established their business as outlined in the original application for a Letter of Endorsement;
- 11.23. If the applicant has not established their business as outlined in their original application, an Indefinite Leave to Remain Letter of Endorsement will not be issued.

11.24. Investor

Entry Clearance

- 11.25. The applicant must provide full details of the intended investment, which must meet the criteria set out in Appendix 1;
- 11.26. The applicant must hold a minimum of £1million (£2million if the investment is in managed funds) in their full control which is free to invest in the Island;
- 11.27. If you're using your own money to invest, you should be able to show:
 - a) how much money you have and where it's being held;
 - b) where the money came from if you've had the money for less than 2 years, for example you inherited it from a relative;
 - c) that the money can be transferred to the Isle of Man and converted to sterling (if it's not already in the Isle of Man).
- 11.28. The Department will require evidence in respect of the source of funds as set out in paragraph 6 of this Policy;
- 11.29. If the investment is to be made into managed funds, the applicant must provide full details of the Isle of Man business who will manage the funds in the Isle of Man, including:

- a) Full name of the Isle of Man business;
 - b) Isle of Man Business addresses and contact details;
 - c) Nominated contact person, or investment manager, at the relevant Isle of Man business;
 - d) The investment must be placed with a legitimate business, registered in the Isle of Man and licensed with the Financial Services Authority;
 - e) Evidence will be required upon completion of investment. Such evidence must be provided by the investment business on official headed paper, or by traceable electronic communications;
 - f) The minimum level of funds as required by the Immigration rules will be required to be maintained under investment for the duration of the requirements of leave granted;
- 11.30. If the investment is to be made into a business or businesses, the business, or businesses, intended to be the recipient of investment, must be wholly registered in the Isle of Man and the nature of the business must not be one which in the opinion of the Department will cause reputational harm to the Island;
- 11.31. The applicant must provide full details of the intended Isle of Man business that they are seeking to invest in, including;
- a) Full name and address of the Isle of Man business;
 - b) Isle of Man Business addresses and contact details;
 - c) Nature of the Isle of Man business and current or proposed location of the business (if different from above);
 - d) Full details of the business: (date of registration, shareholders (to include percentages of shares owned), directors, beneficial owners etc. and links to other businesses, if any);
- 11.32. The applicant must provide a proposed timeline for completion of required investment;
- 11.33. If the investment relates to a business being established a full business plan will be required demonstrating viability, scalability and expected job creation which should include as a minimum;
- a) business model, together with short and long term objectives, key customers, confirmed orders or customer interest etc.;
 - b) employment structure including numbers of employees, types of jobs, wage rates etc.;
 - c) information as to premises – whether owned or rented and the location in the Isle of Man. Where premises are rented or leased, details of owners and annual costs (including rent and any service charge contributions and/or other regular outgoings);
 - d) marketing plan including where the customer base is;
- 11.34. The applicant must be at least 18 years old and the assets and investment he or she is relying on in support of the application must be wholly under his or her control;

- 11.35. The applicant must have sufficient funds available to maintain themselves as set out in paragraph 4.9 of the Immigration Rules. The Department will require evidence of such funds in the manner prescribed in the Immigration Rules as part of the application for Endorsement;
- 11.36. The Department reserves the right to request further information as it may deem relevant.

Leave to remain

- 11.37. An application for a Leave to Remain Letter of Endorsement must be made by an applicant prior to making an application for Further Leave to Remain;
- 11.38. An application for a Leave to Remain Letter of Endorsement must demonstrate:
- a) the applicant has completed the investment as outlined in the original application for a Letter of Endorsement; or
 - b) That they have made substantial progress towards their objectives and have a realistic prospect of completing planned investment and business development;
- 11.39. Evidence will be required by the Department to prove the level of investment(s) made in the Isle of Man.

Indefinite leave to remain

- 11.40. An application for an Indefinite Leave to Remain Letter of Endorsement must be made prior to making an application for Indefinite Leave to Remain;
- 11.41. The applicant must have completed investments to a minimum of £1million (£2million if the investment is in managed funds) in line with the proposals in their initial application for a Letter of Endorsement;
- 11.42. Evidence will be required by the Department to prove the level of investment(s) made in the Isle of Man.

Appendix 1

Category	Level of funds	Criteria suggestions
Start-up	No minimum investment required	<p>A start-up business which the Department is satisfied represents a unique or exceptional business idea;</p> <p>Such businesses will be required to have the support of a Government approved initiative or scheme such as:</p> <ul style="list-style-type: none"> ▪ The Isle of Man Blockchain office ▪ Enterprise Development Scheme ▪ Financial Assistance Scheme
Innovator	Minimum of £50,000 investment (unless switching from Start-up route)	<p>A newly established business in the Island, or an investment into an existing business to accelerate growth;</p> <p>Applicants must provide a comprehensive business plan demonstrating viability, scalability and projected employment numbers.</p>
Investor	Minimum of £1million (increased to £2million for investment into managed funds)	<p>Minimum £2 investment into funds managed in the Island;</p> <ul style="list-style-type: none"> ○ Funds must be placed with a business registered in the Isle of Man and licensed by the Financial Supervision Authority; ○ Funds must remain invested for the duration of the requirement for leave under the Immigration Rules; <p>Or</p> <p>Minimum £1m investment in:</p> <ul style="list-style-type: none"> ○ An existing or newly established business, or businesses, in the Isle of Man with employees; ○ Acquisition of commercial property, with the intention of occupying as part of business activities in the Isle of Man; ○ Acquisition of land or a development site approved by the Department, provided there is a commitment to undertake significant development in an acceptable timeframe; ○ Acquisition, development or refurbishment of tourist premises or leisure and entertainment facilities which seeks to improve and enhance both the tourism offer and overall quality of life in the Isle of Man; ○ A charitable trust established to provide philanthropic investments which benefit the social well-being of the Isle of Man during the period of leave under the immigration rules.