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2017 *Grenada Citizenship by Investment (Approved Projects Investment) Regulations* SRO. 28

GRENADA

STATUTORY RULES AND ORDERS NO. 28 OF 2017

THE MINISTER IN EXERCISE OF THE POWERS CONFERRED ON HIM PURSUANT TO SECTION 16 OF THE GRENADA CITIZENSHIP BY INVESTMENT ACT NO. 15 OF 2013, MAKES THE FOLLOWING REGULATIONS—

(Gazetted 6th October, 2017).

1. Citation. These Regulations may be cited as the

GRENADA CITIZENSHIP BY INVESTMENT (APPROVED PROJECTS INVESTMENT) REGULATIONS, 2017.

2. Definition. In these Regulations—

“Act” means the Grenada Citizenship by Investment Act No. 15 of 2013;

“Approved Project” means a project that is approved by the Minister following the review and recommendation of the Committee;

“Committee” means the Citizenship by Investment Committee established pursuant to section 3 of the Act; and

“Minister” means the Minister with responsibility for Citizenship.

3. Qualifying investment for Approved project. For the purposes of these regulations the qualifying investment amounts are set out in Statutory Rules and Orders No. 20 of 2017.

4. Application for approval of a project.—(1) An application for citizenship by investment or permanent residence by investment shall only be granted where a developer deposits the qualifying investment amounts required under regulation 3 into a project escrow account.

(2) Subject to sub-regulation (1), a person may submit an application to the Committee for approval of a project as an approved project in the form set out in the Schedule and accompanied by the prescribed fee.

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(3) Every applicant under this section must be a company registered in Grenada and must be in good standing.

(4) An application shall only be accepted and processed by the Committee, if the application is properly completed, dated and signed by the applicant.

(5) An applicant shall together with the application submit the documents set out in the Schedule and such other information and documents as the Committee may require.

(6) Upon receiving an application under subsection (1), the Committee shall examine and consider the application and supporting documents and make a recommendation to the Minister with respect to the application.

(7) The Committee shall notify the applicant in writing of the decision made regarding the application.

(8) An approval under sub-regulation 6(a) may be in whole or in part subject to such conditions as the Minister may determine.

5. Project escrow account.—(1) Subject to regulation 6, every developer of an Approved project shall open a project escrow account with a licensed financial institution in Grenada within one (1) month of receipt of Approved project status from the Committee, and shall pay into that account all qualifying investment amounts.

(2) Every developer shall prepare a schedule of disbursements for every phase of the Approved project.

(3) All disbursements from the project escrow account shall be made in accordance with the disbursement schedule prepared in accordance with sub-regulation (2).

6. Escrow Agreement.—(1) A developer of an approved project shall, prior to the opening of a project escrow account under regulation 5, execute an escrow agreement with the Committee.

(2) For the purposes of sub-regulation (1), the Committee and a developer shall negotiate and execute an escrow agreement, which shall contain such terms and conditions as agreed between the parties including terms to govern disbursements, oversight and the draw-down of funds from the project escrow account.

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7. Use of qualifying investment amount for Approved project. Every developer shall use all qualifying investment amounts received for an Approved project for the sole purpose of the development of the particular Approved project.

8. Quarterly reports to the Committee. A developer shall submit quarterly reports to the Committee with respect to the project escrow account and the status of the Approved project.

9. Audit.—(1) The Committee may audit or cause to be audited the project escrow account and the Approved project.

(2) An audit of accounts undertaken under sub-regulation (1) shall be carried out by a company certified by the Committee.

(3) The cost of an audit carried out under sub-regulation (2) shall be borne by the developer.

10. Due diligence. The Committee shall cause due diligence checks to be carried out on the shareholders and directors of developers of an Approved project.

11. Approval of marketing materials. All marketing materials associated with the promotion of an Approved project and the Citizenship by Investment Program must first be given prior approval by the Committee.

12. Submitting contractual documents to Committee. Every developer of an Approved project shall submit to the Committee all documentation including purchase or investor agreements entered into with any applicant for citizenship by investment and permanent residence by investment.

13. Investment agreement. Where an Approved project qualifies for fiscal incentives and concessions in accordance with the existing fiscal incentives legislation, the developers of an Approved project shall execute an investment agreement with the Government within three (3) months of receipt of Approved project status from the Committee.

14. Requirement for accounting.—(1) Every developer of an Approved project shall keep proper records of accounts in accordance with internationally accepted standards.

(2) Any developer who received qualifying investment amounts for the purpose of an Approved project and who has not established a project escrow account is required to—

- (a) account to the Committee for monies received and spent;
- (b) open a project escrow account in accordance with Regulation 5; and
- (c) deposit the qualifying investment amounts that have been received.

15. Decertification of Approved Projects.—(1) The Minister may on the recommendation of the Committee decertify a project approved under regulation 4, if the Minister is satisfied that—

- (a) a developer no longer satisfies the provisions of the Act and these regulations; or
- (b) a developer is in breach of any term or condition of an approval.

(2) Before decertifying a project under sub-regulation (1), the Minister shall give the developer written notice served at the address provided in the application form of his or her intention to so do, setting out the grounds upon which he or she proposes to make the revocation.

(3) A developer who receives a notice under sub-section (2) shall respond to the notice within the period specified in the notice setting out a written statement of objections to the revocation and thereafter, the Minister shall within thirty (30) days advise the developer of his or her decision.

(4) Where a project is decertified under this regulation—

- (a) the Minister shall publish or cause to be published a notice of the revocation in—
 - (i) the Government of Grenada *Gazette*;
 - (ii) the Government of Grenada website;
 - (iii) the Committee's website;
 - (iv) any other relevant official Government publication;

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- (b) all monies in the project escrow accounts shall be dealt with in accordance with the escrow agreement;
- (c) The developer shall—
 - (i) immediately cease advertising the decertified project as an approved project on its website, and on any promotional advertising material; and
 - (ii) immediately refrain from sourcing potential investors to invest in the decertified project.

16. Issuing Guidelines.—(1) The Committee may from time to time issue Guidelines approved by the Minister for giving effect to these Regulations.

(2) Guidelines issued under sub-section (1) shall be published in the Government of Grenada *Gazette*.

SCHEDULE

(Regulation 4 (2))



Application for Approved Project

GOVERNMENT OF GRENADA
CITIZENSHIP BY INVESTMENT COMMITTEE

Business Name:
Promoter Name:
Business Address:
Home Address:

Contact Information:		
Business Telephone Number:	Fax:	
Residential Telephone Number:	Mobile:	Email Address:
Employment Information (If otherwise Employed):		
Business Name and address:	Telephone Number:	
	Email Address:	

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Type of Entity:	
<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation Tax Identification #:	Have you received government concessions <input type="checkbox"/> Yes <i>(if Yes provide details of concessions)</i> Date: <input type="checkbox"/> No

Name, address and nationality of each shareholder, beneficial owner, partner or stakeholder and the percentage of ownership	
Name: Address: Nationality: National identification #: % of Ownership: Ownership Type:	Name: Address: Nationality: National identification #: % of Ownership: Ownership Type:
Name: Address: Nationality: National identification #: % of Ownership: Ownership Type:	Name: Address: Nationality: National identification #: % of Ownership: Ownership Type:

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Nature of Existing or proposed Project	
Existing and/or proposed Capital investment (USD)	Source of Funding (USD)
Existing Investment \$ _____	CBI Program \$ _____
Proposed Investment \$ _____	Equity \$ _____
Total Investment \$ _____	Business Operations \$ _____
	Debt \$ _____
	Other (Specify) \$ _____
	Total \$ _____
<p>Certification</p> <p>The undersigned certifies that to the best of their knowledge and belief, all information contained in this application and in the accompanying attachments are true complete and correct. The undersigned agrees to notify the Citizenship by Investment Committee immediately of any changes to this application and the information provided. The undersigned authorizes the Citizenship by Investment Committee to conduct due diligence on the information provided and the project including contacting any person, individual or institution for the purpose of verifying the information contained in this application without further notice to the applicant.</p>	
Individual/Business Name:	Applicant(s) Signature:
Date: ((DD/MM/YYYY))	

THE FOLLOWING INFORMATION ARE TO BE ATTACHED WITH THE APPLICATION:**New Projects****The Developer/Promoter must present the following with the application:**

- The development plan for the site – to include a master plan of the development indicating all phases of the development together with the necessary conceptual architectural drawings and character images of the proposed development for at least the first phase
- Developers/Promoters profile including – involvement in the project, present development in progress if any, history of similar developments
- Planning permission (Final or in principal)
- Proof of ownership of letter of intent between the current owner and the proposed buyer to acquire the site.
- Land Registry title document
- Proof of funding
- Memorandum and articles of Association of the company (if applicable)
- Beneficial owner(s) information (including photo identification)
- Project description including business/operational plan
- Company financials, feasibility study including development costs of every phase, profit /loss projections and consolidated cash flow projections
- An environmental impact assessment (if applicable)
- Management/Rental agreement
- Valuation report by CBI committee approved appraiser

Existing Property Development

The Developer/Promoter must present the following with the application

- A business/operational plan
- Audited financial statements (Previous 5 years if applicable)
- Proof of funding
- Memorandum and Articles of Association (Site owner/Developer/ Management Company as applicable)
- Beneficial owner(s) information (including photo identification)
- Land Registry title document
- Details of concessions granted or applying for
- Management Rental Agreement
- Valuation report by CBI committee approved appraiser

Made by the Minister this 2nd day of October, 2017.

KEITH MITCHELL
Minister responsible for Citizenship.

GRENADA