



RENAISSANCE CAPITAL INC.

Your Passport to Canada

QIIP Intake 2016 New Document Checklist Overview

Executive Summary

The QIIP document checklist issued by MIDI on July 15 brings significant improvements to the file preparation process for applicants and their agents. It improves the application process in several ways. Among the most meaningful:

- The engagement report, previously required to document investments in the stock market, is no longer required;
- Documents relative to stock options are no longer specifically required;
- Applicants have full discretion to choose which documents best document their management experience instead of having to submit several specifically identified documents;
- Full translation of bank transcripts is no longer required, and a simplified certified translation may be submitted instead;
- MIDI now requires 12 months of bank transcripts at file submission;
- For most applicants, only the detailed personal credit report is required to document liabilities (e.g. no more credit card statements or mortgage contracts required);
- For most documents, the checklist requires only the submission of photocopies instead of originals or certified true copies;
- The Sections 6 and 7 of the checklist have been completely re-edited and simplified.

This positive development is the fruit of a positive dialogue between MIDI and appointed stakeholders of the financial intermediaries, including an RCI delegate, in order to improve the processing of the QIIP and ensure that the program remains an attractive and competitive option for immigrant investors.

It is to be noted, however, that although the document checklist has been significantly simplified, it is still mandatory for applicants to declare all their assets, liabilities and sources of funds. As such, a complete and detailed narrative document remains an essential part of any QIIP application, and we urge everyone to refer to our narrative template and narrative example for more details. Our QIIP Handbook, available for free on our website (www.rcican.com), is also a useful resource to assist you in this process. Please do not hesitate to contact us for any assistance.

The new checklist, currently only available in French, will soon be released in English and replaces the checklist issued by MIDI in December 2014. The Ministry has confirmed it is also applicable to all files currently in inventory, and may therefore be referred to for the updates of files that have already been submitted.



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Below is a summary of what has changed in the new checklist.

IMPORTANT NOTE:

Please note that this memo does not constitute a translation of the document checklist, and that it merely provides an overview of the changes between the December 2014 and July 2015 QIIP checklist versions.

For easier analysis, the most relevant changes in the checklist are highlighted in **bold red** letters. Please also note that any element not mentioned for Sections 6, 7 and 8 below is no longer required in the checklist.

Checklist instructions

Shorter and simplified instructions

Definitions have been taken out of instructions, but remember that they still apply (i.e. “spouse”, “dependent child”, “certified true copy”)

Checklist

Specific mention to not send original documents unless specifically required to do so, since MIDI does not return submitted documents

Remember that applicant, spouse and accompanying dependent children must submit documents applicable to them in Sections 1 to 4

Section 1: Application for selection certificate, intention to settle in and invest in Québec

No changes

Section 2: Mandate

No changes

Section 3: Identity and civil status



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3.6: Official cohabitation certificate no longer required, but applicant and spouse must prove by other means that they have lived together for at least 12 months. The evidence to do so has been narrowed down to three types only where both applicant and spouse's name must appear. Applicant must submit two out of those types of documents:

- Mortgage or common lease contract;
- Common bank account statements;
- Public utility bills: electricity, gas, telephone service or Internet service

3.13: Only photocopy is required instead of certified true copy

3.14: Only photocopy is required instead of certified true copy

Section 4: Selection factors

4.1: Only one diploma is now required

Old 4.2: is now erased: no more Reference report from CADGEDC required

New 4.2: MIDI requires certified true copy of academic transcripts associated with submitted diploma. Document must be a certified true copy

4.3: Only photocopy required instead of original document

4.4: Only photocopy required instead of original document

4.6: Fewer documents required. Only Act of birth of the family member living in Quebec as well as valid Quebec Health Care Card, Canadian passport, certificate of citizenship or valid permanent resident card (both sides)

Section 5: Net assets declared in the application for selection certificate

5.1.: Translation of bank transcripts may now be limited to heading and of the banking terms describing the nature of the translations (i.e. simplified translation for bank transcripts is now accepted). Also note that MIDI requires 12 months of bank transcripts.

5.2: No more engagement report required. MIDI now only requires transcripts:

5.2.1: Statement of the securities owned, issued by the central securities depository indicating the name and code (stock symbol) of the shares owned on the last day of each of the last three completed fiscal years. (original required)



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5.2.2: Confirmation of the securities broker covering the last three completed fiscal years. (original required)

Old 5.2.1 through 5.2.4 are now abolished

5.3: Only attestation of the financial institution indicating the current value is now required.

5.5.

5.5.1: Simplified to same requirement for either residential or commercial real estate: requires the final purchase agreement, the title deed and, where applicable, updated registration in the official cadastre.

(Main change: no more requirement that commercial property purchase agreements indicate the right to commercial use.)

5.5.2: Simplified wording but same requirement

5.5.4 through 5.5.6 are now abolished

5.6: Only the following documents are required:

DETAILED personal credit report (now 5.6.1, in original format, and even if the applicant has no personal credit history); AND

Asset declaration (now 5.6.2, in photocopy format), where the document exists (i.e. sub-Indian continent, Kenya, Switzerland)

NOTE: 5.6.1. (mortgage loan agreement); 5.6.2 (agreement for other loans); 5.6.3 (credit card statements); 5.6.5 (Wealth Tax Returns) are now abolished.

NOTE: Section 6 and Section 7 have been completely re-edited and simplified.

While the old Section 6 was concerned with Employed applicants and the old Section 7 was concerned with applicants who are shareholders or owners of a public or private company, the new checklist has redefined the focus of each section:

The new Section 6 is concerned with the management experience and personal income of the applicant as an employee, shareholder or business owner.

The new Section 7 is strictly concerned with the Existence, value and performance of the companies or businesses of the applicant.



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Section 6 (NEW): Management experience and personal income of the applicant as an employee, shareholder or business owner

6.1: Management experience documents: Applicant has discretion to submit the documents that are relevant to demonstrate his management experience, and no longer needs to comply with a very specific checklist. Only photocopies are required.

6.2.: Proof of employee registration with social security or another public liability insurance (required only for applicants who have acquired their experience in a professional enterprise). Photocopies only.

6.3.: Work certificate for each employment period. Photocopy only.

6.4. Work or management contracts. Photocopy only. **Note that the Section (old Section 8) on management contracts has been abolished.**

6.5: Documentation for at least the last five years to support the applicant's source of funds (and the spouse's source of funds, where applicable). Documents must be validated by the competent government authorities:

6.5.1: Notices of assessment of income tax on personal income (photocopy only); OR

6.5.2: Income declaration indicating personal income and all of the annexes, endorsed by the competent fiscal authorities ALONG with tax payment receipts. (these documents are only required in countries where notices of assessment of income tax do not exist, e.g. China). Photocopy only.

6.5.3: History of social contributions to the pension fund. Original or certified true copy.

Section 7 (NEW): Existence, value and performance of the companies or businesses of the applicant

7.1: Existence, shareholding and investment

Simplified wording and a lot of editing to reduce the burden and complexity for the applicant to document the business existence, performance and value

7.1.1: Registration certificates of the company and, where applicable, extracts from the Official Gazette or the Official journal confirming the registration of the business

7.1.2: Card or certificate of registration with tax authorities



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7.1.3: Complete extracts and **recent (instead of “from less than three months”)** from the companies registry or its equivalent. The document must indicate the current situation of partners and the history of changes to registered capital and of shares held by the partners

7.1.4: Articles of association or partnership agreement and, if applicable, joint venture agreement its equivalent, and their amendments

7.1.5: Documents supporting the funds invested in the company (e.g. bank transcript extracts) – must be documented for at least the last 5 years

7.1.6: Capital Verification Report

7.2: For a company listed on a stock exchange

Simplified wording and a lot of editing to reduce the burden and complexity for the applicant to document the business existence, performance and value

7.2.1: Prospectus. Only simplified translation is required. The translation may be limited to the history of the development of the company, of the structure of the group of companies in which it will be listed, of the relations with linked parties and of any section mentioning the principal applicant, and if applicable, the applicant’s spouse. Photocopy only

7.2.2: Annual reports of the last 5 fiscal years

7.3: If the company is incorporated or a shareholder in one or more companies (holding company) or is a general partnership:

7.3.1: Review engagement reports or financial statements for at least the last 5 years (old 7.9.2, but the requirements of the engagement reports have been significantly simplified. However, the requirement of International Standards on Review Engagements 2400 is still maintained);
OR

7.3.2: Audit reports on financial statements for at least the last 5 years if they already exist. If they do not already exist, the applicant must submit the document listed at 7.3.1 instead.

7.3.3: Notice of assessment of corporate income tax for the last 5 years; OR

7.3.4: For Chinese companies: Income tax returns declaring the profits with all schedules endorsed by the tax office along with the payment receipts (**no more requirement that “each page” be endorsed**), along with the tax payment receipts

7.3.5: Bank statements of the company: must submit only for companies where there is no enterprise income tax



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7.3.6: Company credit report. Must be submitted even though the company has no credit history.

7.4: For a sole proprietorship company:

7.4.1: Income statement (profit and loss) prepared by a chartered accountant and covering at least the last five years prior to submission

7.4.2: Detailed appraisal report showing the net value of the sole proprietorship prepared by a firm specializing in appraising corporate assets

7.4.3: Statements of bank accounts used by the company

The old Section 8 on applicants with management contracts has been abolished.

Section 8 (NEW): Gifts and Inheritances

Only change: documentation of donations must only be provided if the donation has contributed significantly to the applicant (or spouse)'s accumulation of funds.

Reminder

Photocopies: What is NOT allowed

Please remember that the following documents CANNOT be submitted in photocopy format. They must be either submitted in original format or as certified true copies. Please ensure to confirm compliance with the proper format in the checklist.

All documents in Section 1, except for 1.4. (i.e. power of attorney with respect to financial transactions)

All documents in Section 2, except for 2.3. (i.e. Special authorization from the *Barreau du Québec* or the *Chambre des notaires du Québec* – only required for representatives who are authorized lawyers or notaries that are not members of the *Barreau du Québec* (Quebec Bar) or the *Chambre des notaires du Québec*)

3.10: Photo in the application form

3.11: Declaration of parental consent authorizing the immigration of the child



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3.15: Medical certificate attesting to the physical or psychological incapacity of the child, where applicable (for dependent child aged 19 or older)

4.1: Diploma

4.2: Corresponding transcripts of diploma

5.1: Bank accounts

5.2.1: Statement of the securities owned, issued by the central securities depository indicating the name and code (stock symbol) of the shares owned on the last day of each of the last three completed fiscal years

5.2.2: Confirmation of the securities broker covering the last three completed fiscal years

5.5.2: Current value of real property (appraisal report)

5.6.1: Personal credit report

6.5.3: History of social contributions to the pension fund

7.3.1: Review engagement reports or financial statements for at least the last 5 years

7.3.5: Bank statements of the company

7.3.6: Company credit report

7.4.1: Income statement (profit and loss) prepared by a chartered accountant and covering at least the last five years prior to submission

7.4.2: Detailed appraisal report showing the net value of the sole proprietorship prepared by a firm specializing in appraising corporate assets

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