

ACTIVE INVESTOR PLUS VISA

GUIDANCE NOTES TO THE CRITERIA FOR MANAGED FUNDS



Date last updated 10 March 2025. Note: Guidance notes will be updated from time to time.

1. Background and further information

- a. This document provides guidance to Managed Funds completing the application form to be assessed by New Zealand Trade and Enterprise (“**NZTE**”) as an acceptable investment for the purposes of the Active Investor Plus (“**AIP**”) visa (under the “Growth” category). This document is a guide only and is not a substitute for the AIP Visa Immigration New Zealand Instructions (“**Immigration Instructions**”). You are responsible for reviewing the Immigration Instructions to ensure you have addressed all relevant criteria in your application (note: the Immigration Instructions may be updated from time to time).
- b. You should refer to these guidance notes if you are the issuer of a Managed Investment Scheme (as that term is defined in the Financial Markets Conduct Act 2013) (“**MIS**”) or the provider of a Discretionary Investment Management Service (as that term is defined in the Financial Markets Conduct Act 2013) (“**DIMS**”). In these guidance notes, the term “Managed Fund” is used to refer to both Managed Investment Schemes and DIMS.
- c. Any references to “you” or “your” in this document are to the applicant.
- d. [Click here to download the application form](#) [LIVE 11 MARCH]
- e. A Managed Fund that invests or will invest in other managed funds (commonly referred to as a ‘fund of funds’) must also complete an addendum in addition to the Managed Fund application form. This is to provide further particulars as part of an application to be included on the Acceptable Managed Fund List. The fund of funds addendum can be [downloaded here / LIVE 11TH MARCH](#)
- f. A Managed Fund that will invest in a single identified asset must also complete the single asset addendum, which includes specific questions relating to the asset that will be invested in. The single asset fund addendum can be [downloaded here / LIVE 11TH MARCH](#)
- g. Note for an investment in an approved Managed Fund by an AIP applicant to be acceptable, a binding commitment must be entered into between the applicant and the Managed Fund (or through a nominee). Investment in a Managed Fund by way of transfer from an existing investor will not be an acceptable investment.

2. Application form questions and criteria

The criteria against which NZTE will assess whether a Managed Fund is an acceptable investment is set out in paragraphs 2 to 4 of Appendix 15 of the Immigration Instructions. In making an assessment, NZTE will have regard to the “Objective” and “Principles” of the AIP visa as set out in the Immigration Instructions (refer to Section 2c below). To assist with the completion of the questions in the application form please review the below guidance first.

Section One: About your organisation

The application form should be submitted by the fund manager or DIMS licensee of the Managed Fund, details of which need to be provided in Section 1. The person signing the form declares that they have authority to submit the form on behalf of this organisation.

Section Two: Managed Investment Scheme and Section Three: Discretionary Investment Management Service

Applications relating to an MIS must complete Section 2, and applications relating to a DIMS must complete Section 3 of the application form.

Questions 2.1 to 2.3 (and 3.1 to 3.3): These questions ask for information on the legal and residency status of the Managed Fund entities and details of registration and licensing (if required) under the Financial Markets Conduct Act 2013. Please note the following:

- The fund manager of a Managed Investment Scheme or DIMS Licensee of a Discretionary Management Service must be a “New Zealand Resident Entity” defined in the Immigration Instructions as a body corporate that:
 - i. is incorporated in New Zealand; and
 - ii. has its head office in New Zealand; and
 - iii. has its centre of management in New Zealand; and
 - iv. has control, by company directors, exercised in New Zealand.

You are required to self-certify the above in the application form. We recommend that you review paragraphs 299 – 341 of Inland Revenue’s most recent [guidance on tax residency](#) for companies before you certify that you meet the definition of being a New Zealand Resident Entity. If you are unsure of whether you will meet each definition, we recommend that you seek advice from a tax advisor.

- The fund manager of a Managed Investment Scheme must evidence General Partner and Limited Partnership incorporation. A DIMS Licensee must

ACTIVE INVESTOR PLUS VISA

GUIDANCE NOTES TO THE CRITERIA FOR MANAGED FUNDS



evidence that it is an incorporated company. NZTE generally expects that a Limited Partnership will be registered prior to its inclusion on the Acceptable Managed Fund List, but an application can be progressed prior to registration provided the general partner and/or fund manager have been incorporated.

- We expect that the fund manager or DIMS Licensee will be registered on the New Zealand Financial Services Providers Register. The fund manager of a Managed Investment Scheme must also be licensed under the Financial Markets Conduct Act 2013 if required by that Act to hold a licence. By definition, a DIMS Licensee must also hold a licence under the Financial Markets Conduct Act 2013 unless it is exempt from licensing (per section s389(3) of the Financial Markets Conducts Act 2013).

Questions 2.4 to 2.6 (and 3.4 to 3.6): These questions require you to self-certify that the Managed Fund complies with the specific Managed Fund criteria in Appendix 15 as follows:

- Further to the New Zealand residency requirement described above, the Managed Fund must hold funds on participant's behalf in New Zealand and in New Zealand dollars.
- The Managed Fund must not invest in financial products that are listed or quoted on an exchange (for example, listed equities or bonds). However, a Managed Fund may invest in either non-listed equity or debt securities in an entity (provided the Principles and Objectives are met, see below for further information).
- The Managed Fund must invest wholly or substantially in entities with a New Zealand Connection.
 - "New Zealand Connection" has the meaning given to that term in the Policy Statement on the Venture Capital Fund Act 2019, published by the Ministry of Business, Innovation & Employment and the Treasury and dated December 2019, amended to replace "New Zealand venture capital industry" on page 6 with "New Zealand economy generally" and to replace "New Zealand Venture Capital Market" in the third bullet point of the definition of "New Zealand Connection" on page 7 with "New Zealand economy generally."
 - "substantially invested in entities with a New Zealand Connection" means where a minimum of 70% of the initial Net Committed Capital made available to the Managed Investment Scheme is allocated for investment in entities with a New Zealand Connection.
 - "Net Committed Capital" means the total funds committed to the Managed Investment Scheme, minus the anticipated fees, obligations, expenses and liabilities to be incurred by the relevant Managed Investment Scheme.

a. **Section Four: Investment principles and policies**

ACTIVE INVESTOR PLUS VISA

GUIDANCE NOTES TO THE CRITERIA FOR MANAGED FUNDS



This section (to be completed both in relation to a MIS or a DIMS) focuses on the Managed Fund's investment mandate, thesis, processes and policies to enable NZTE to determine whether there is alignment with the Principles and Objective of the AIP Visa.

Questions 4.1 and 4.2: Responses to these questions should demonstrate how the Managed Fund will deliver on the Objective and Principle 1:

- **Objective:** *"The objective of the Active Investor Plus visa category is to increase the flow of foreign capital and attract skilled and experienced active investors into areas that align with Government's economic strategy, by providing resident visas to those who wish to participate in New Zealand's investment ecosystem and make a significant contribution to New Zealand's economy."*
- **Principle 1:** *"[being an investment that] clearly contributes to the Government's economic strategy, by being invested into one of the following businesses which will deliver economic and other positive impacts for New Zealand (either as a direct investment or through a managed fund):*
 - *businesses whose business model does not involve acquisition or ownership of property; or*
 - *businesses that depend on property to deliver their business model, including but not limited to any of the following sectors*:*
 - *Technology;*
 - *Manufacturing;*
 - *Food and beverage;*
 - *Renewable energy;*
 - *Aged care;*
 - *Primary sector e.g. horticulture (including post-harvest infrastructure); forestry, agriculture, aquaculture; or*
 - *Infrastructure (including tourism, film, health and education).*

**NZTE will consider the inclusion of businesses that sit in other sectors that add value add to the New Zealand economy. For the avoidance of doubt, investments into pure property assets (for example: commercial, residential and industrial real estate) will not be considered acceptable investments under the Growth Category (managed funds or direct investments)."*

Where a Managed Fund's investment mandate involves property assets, in addition to looking at the sector(s) it invests in, NZTE will also need to understand the investment strategy to ensure it is not a "pure" property play. Generally, to be eligible as a managed fund under the 'Growth' category, the business model of any investee entities in relation to such property assets must be one of:

- operator (non-owner);
- owner-operator; or

- owner with contracted operator / manager.

If the Managed Fund will be investing (directly or indirectly) in the development or acquisition of property assets for sale or lease to third parties (or the financing of these activities), it will not be eligible as a managed fund under the 'Growth' category. However, such funds may be eligible under the 'Balanced' category (note though all property for personal use is excluded under that category).

If you are uncertain as to which category your Managed Fund sits under, please review NZTE's [\[property flow-chart\]](#).

Question 4.3: The response to this question should demonstrate how the Managed Fund meets Principle 2:

- **Principle 2:** *"[being an investment that] is into legitimate Investee Entities or Managed Funds and proper verification is conducted to ensure this."*

You are required to provide information on the investment decision making process employed by the fund manager, general partner or DIMS licensee. This includes detail on the verification, diligence and reporting processes to demonstrate that appropriate risk management procedures are or will be followed by the Managed Fund. Note this is not a test of the Managed Fund's track record or potential financial returns, which is for the AIP applicant to ascertain.

Information captured in the Application Form also allows NZTE to complete 'know your customer' and character assessments on the Applicant.

Question 4.4: the response to this question allows NZTE to determine whether Principle 3 is met by the Managed Fund:

- **Principle 3:** *"[being an investment that] does not prejudice New Zealand's reputation as a responsible member of the world community."*

The application must detail your environmental, social and governance (ESG) approach and how this is integrated into your fund processes. Please note, an ESG policy (or equivalent) must be submitted with the application.

The investment policies and controls of the Managed Fund should demonstrate that the Managed Fund does not and will invest in anything which may prejudice New Zealand's reputation. Examples of business activities which may prejudice New Zealand's reputation include (but are not limited to) those which:

- relate to the manufacturing of tobacco or other nicotine-based products;
- relate to gambling, casinos and equivalent enterprises;
- relate to adult entertainment;
- relate to the manufacturing of weapons, including:
 - military weapons;

ACTIVE INVESTOR PLUS VISA

GUIDANCE NOTES TO THE CRITERIA FOR MANAGED FUNDS



- controversial weapons (cluster munitions, landmines, biological and chemical weapons, nuclear weapons and depleted uranium);
- civilian firearms;
- involve the use of child labour, forced or compulsory labour, or other human right abuses;
- promote any form of discrimination based on race, culture, gender, sexual orientation, or other prohibited grounds;
- are illegal in the country in which the good or service is used or intended to be used; or
- are likely to have a materially adverse impact on the climate or environment.

b. **Section Five: Regulatory**

Please disclose any relevant regulatory information pertaining to your organisation, the major shareholder(s), directors or senior management. Note a “major shareholder” is a person with a more than 25% shareholding, beneficial ownership or power to control.

c. **Section Six: Details for the Acceptable Managed Fund List**

Acceptable Managed Funds will be added to an “Acceptable Managed Fund List” maintained and published by NZTE. The inclusion of a Managed Fund on the Acceptable Managed Fund List will be evidence to Immigration New Zealand (“INZ”) that the Managed Fund is an acceptable investment.

d. **Section Seven: Declaration**

An application can be submitted by anyone who has the authority to do so on behalf of the Managed Fund. In your application, you will have to declare, among other things, that you have such authority and that the information provided in the application is true and correct to the best of your knowledge.

Once the application form is fully completed, please submit it via email to AlPacceptableinvestments@nzte.govt.nz. Applicants are welcome to attach supplementary information to the email, such as investor presentations and other supporting documents, however these must be in addition to the completed application form.

Where an Applicant has completed either the fund of funds addendum or the single asset fund addendum, this will be read together with, and forms part of, the

ACTIVE INVESTOR PLUS VISA

GUIDANCE NOTES TO THE CRITERIA FOR MANAGED FUNDS



Managed Fund's application form. To avoid duplication, where a Managed Fund has already provided the information requested in the addendum in its application form, it should cross reference those responses in the addendum.

3. What happens after submission?

- a. A completed application form will be used by NZTE to consider whether the Managed Fund is an acceptable investment for the purposes of the AIP visa. As noted above, acceptable Managed Funds will be added to an "Acceptable Managed Fund List" maintained and published by NZTE, which is evidence to INZ that the Managed Fund is an acceptable investment. Note also that INZ assesses the actual investment made by an AIP investor to determine if they are compliant with their AIP visa investment conditions.
- b. **Timeframes:**
 - i. NZTE will acknowledge the receipt of your application and will confirm when it is complete and ready for assessment. You will receive an email to confirm when your application will be assessed by the Advisory Panel.
 - ii. The application submission cut-off dates are published on the NZTE website and updated from time to time.
- c. In order to remain on the Acceptable Managed Fund List (should you be assessed as an acceptable investment) you must complete NZTE's annual re-certification (six-monthly for 'fund-of-funds') and adhere to the disclosure requirements and agree to do so as and when required by NZTE. Failure to do so could result in you being removed from the Acceptable Managed Fund List. These are available on [NZTE's website](#).

Contact details

Email: AIPacceptableinvestments@nzte.govt.nz