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LEGAL NOTE

HAVEN – HOSPITALITY MANAGEMENT – FUNDO DE CAPITAL DE RISCO FECHADO ELIGIBILITY FOR GOLDEN VISA

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§ 1. Introduction

1. We have been consulted by Magnify Capital Partners – Sociedade de Capital de Risco, S.A. (“Magnify Capital Partners” or “Management Entity”) to provide a Legal Opinion on the eligibility of HAVEN – Hospitality Management – Fundo de Capital de Risco Fechado (“HAVEN” or “Fund”) for the purpose of applying for a residence permit for investment (referred to as “ARI” or “Golden Visa”) in Portugal, pursuant to the Portuguese Golden Visa program (“Golden Visa Program”).
2. This Legal Opinion starts by specifying the necessary requirements for an investment in a collective investment undertaking to qualify under the Golden Visa Program (§ 2.). It subsequently proceeds to assess the Fund’s eligibility under the Golden Visa Program, taking into account its investment policy as detailed in its Management Regulations (§ 3.). The main conclusions of the analysis are presented at the end (§ 4.).

§ 2. Requirements for an investment in a collective investment undertaking to qualify under the Golden Visa Program

3. The Golden Visa Program consists of an investment scheme aimed at attracting foreign investment by granting residency permits to non-EU citizens. The Golden Visa allows investors and certain family members to live, work and study in Portugal, travel freely in the Schengen area, and, at a later stage, obtain Portuguese citizenship.
4. The Golden Visa Program was initially introduced in 2012 and has undergone several revisions since then. Currently, the applicable legal framework is provided for in Articles 3 and 90-A of Law no. 23/2007, of July 4, as amended by Law no. 56/2023, of October 6 (“Law 23/2007”), and Articles 65 to 65-K of Regulatory Decree no. 84/2007, of November 5, as amended (“Regulatory Decree 84/2007”).
5. According to the legislation in force, the application for a Golden Visa requires the performance of one of the several investment activities provided for in Article 3(d) of Law 23/2007.



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6. One eligible investment activity involves the transfer of capital in the minimum amount of EUR 500.000,00 (five hundred thousand euros), intended for the acquisition of units in non-real estate collective investment undertakings established under Portuguese law. These collective investment undertakings (“CIUs”) must have a maturity of at least 5 (five) years at the time of investment, and at least 60% (sixty percent) of the value of the investments must be made in commercial companies with registered offices in Portugal (see Article 3(d)(vii) of Law 23/2007). This investment activity cannot be directed, directly or indirectly, towards real estate investment.
7. Considering the foregoing, in order for the investment in a collective investment undertaking to be eligible for obtaining a Golden Visa, the following requirements must be met:

2.1. Non-real estate CIU incorporated under the Portuguese law

8. To be eligible for investment by Golden Visa applicants, the collective investment undertaking must be a non-real estate fund. This requirement restricts the types of CIUs that may qualify for the Golden Visa.
9. Specifically, investment cannot be directed towards acquiring units in real estate alternative investment funds (“OIA imobiliários”). However, investment in private equity/venture capital funds (“OIA de capital de risco”) or equity investment funds (“OIA de ações”) is eligible¹.
10. Therefore, among the eligible CIUs for investment in companies with registered offices in Portugal, under the Golden Visa Program, all types of CIUs should be included **except for real estate alternative investment funds**. This includes private equity/venture capital CIUs and equity CIUs, **provided they are not intended, directly or indirectly, for real estate investment**.
11. In addition, the collective investment undertaking must be duly incorporated under Portuguese law.

¹ See Article 208(1)(b) or (d) of Asset Management Regime, approved by Decree-Law no. 27/2023, of April 28 (“RGA”).



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2.2. Minimum amount of investment: EUR 500.000,00

12. In accordance with the legal regime in force, for the purposes of applying to the Golden Visa Program, the investment in the acquisition of units in collective investment undertakings must be at least EUR 500.000,00 (five hundred thousand euros).
13. In particular, it should be noted that the minimum investment amount mentioned above is only relevant at the time of subscription or initial investment. Any subsequent devaluation in the value of the units is irrelevant for the purposes of the Golden Visa Program and do not require the initial investment to be increased.
14. Furthermore, it is also worth noting that according to Agência para a Integração, Migrações e Asilo (“AIMA”), the competent authority for issuing Golden Visas, units can be acquired in various funds aimed at capitalizing companies incorporated under Portuguese law, with a maturity of at least 5 years at the time of investment, and where at least 60% of the investment value is made in commercial companies with registered offices in Portugal. This is permissible as long as the total amount (i) meets or exceeds the legally required minimum and (ii) originates from an international capital transfer².

2.3. Minimum maturity of the investment: 5 years

15. For the purposes of application under the Golden Visa Program, the Golden Visa investors must maintain the investment for a minimum period of 5 (five) years.

2.4. Minimum investment of 60% of the value of the CIU in commercial companies with registered offices in Portugal

16. For the purposes of eligibility under the Golden Visa Program, the collective investment undertaking must allocate a minimum of 60% (sixty percent) of its investments to commercial companies with registered offices/headquarters in Portugal.

² See <https://aima.gov.pt/media/pages/documents/9f1c60d962-1708361683/ari-subalinea-7.pdf> (p.2).



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17. Considering the letter of the law (Article 3(1)(d)(vii) of Law 23/2007) and its historical evolution, there is ample scope to classify investments in shares and debt securities issued by companies with registered offices in Portugal under the concept of investment.

2.5. The investment activity conducted by the CIU cannot be aimed, directly or indirectly, at real estate investment

18. One of the recent amendments to the Golden Visa Program, introduced by Law no. 56/2023, of October 6, which approved a package of measures aimed at promoting housing, includes the restriction of the Golden Visa Program to investment activities that do not involve direct or indirect real estate investment. As stated in Article 3(5) of the Law 23/2007, “[t]he investment activities (...) cannot be directed, directly or indirectly, towards real estate investment”.

19. It is our understanding that indirect real estate investment should be interpreted as investment in companies whose corporate purpose is real estate activities as described in the Economic Activities Code (“CAE”), including, in particular, the purchase and sale or resale of real estate assets, real estate development, property leasing, and real estate management on behalf of others.

20. In this context, for example, activities related to hotel management are not real estate activities but rather service activities, with their respective CAE classified in a distinct category from real estate activities.

21. On the other hand, we consider that carrying out instrumental acts, such as entering into a lease agreement for a property, or carrying out works on the property, are merely instrumental to the activity of a company that deals with hotel management, in the same way that, for example, an industrial company does not carry out any real estate activity despite leasing the building in which the factory it operates is located.

22. However, we must highlight that there is currently no guidance from public authorities, including the AIMA, on this matter, particularly regarding what constitutes indirect investment in real estate.



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23. Therefore, the fewer ties a specific company in which a CIU invests has to the real estate sector, the lower the risk that AIMA might consider the investment as indirect real estate investment in practice.

§ 3. Assessment of the Fund's eligibility under the Golden Visa Program

24. Next, we analyse whether an investment in the HAVEN fund is eligible to meet all the legal requirements for obtaining a Golden Visa. For this purpose, we will take into account the Fund's investment policy established in its Management Regulations.

25. HAVEN is a close-ended private subscription venture capital alternative investment undertaking, with registered office in Portugal, and its operation is governed by the provisions set out in the Asset Management Regime, approved by Decree-Law no. 27/2023, of April 28 ("RGA") (see Article 1(2) of the Fund's Management Regulations).

26. The incorporation of HAVEN was subject to a prior communication procedure with the Portuguese Securities Market Commission ("CMVM"). The Fund is registered with the CMVM under code 2116.

27. Therefore, we conclude that HAVEN is a non-real estate collective investment undertaking and it has been duly incorporated and registered under Portuguese legislation, thereby fulfilling the requirement mentioned in 2.1, above. The qualification of the Fund as a non-real estate CIU is also expressly referred to in the Fund's Management Regulations (see Article 5(4)).

28. Regarding the second requirement of transferring capital in the minimum amount of EUR 500.000,00 (see 2.2 above), as for the HAVEN, this requirement can be fulfilled by potential investors: an investment in this amount or higher is permissible.

29. According to the Fund's Management Regulations, there are three categories of units (C1, C2 and C3) intended for subscription specifically by Golden Visa Program investors who are (i) professional investors pursuant to Article 30 of the Portuguese Securities



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- Code³, (ii) non-professional investors who request the Management Entity to be treated as professional investors, pursuant to Article 317-B of the Portuguese Securities Code, with a minimum subscription amount of EUR 100.000,00 (one hundred thousand euros), or (iii) investors who subscribe to a minimum amount of EUR 100.000,00 (one hundred thousand euros).
30. The units in Categories C1, C2 and C3 were essentially structured to enable investment by investors of the Golden Visa Program, complying with the deadlines and procedures of all phases of this Program as set out in Law 23/2007 (see Article 11(5) of the Fund's Management Regulations).
31. In (ii) and (iii) above, the minimum subscription amount is EUR 100.000,00 (one hundred thousand euros), corresponding to 100 (one hundred) units of each category (see Article 11(2) and (5) of the Fund's Management Regulations). Therefore, to meet the minimum investment amount required for obtaining Golden Visas, potential investors must acquire at least 500 (five hundred) units from categories C1, C2 or C3.
32. Thirdly, regarding the requirement to maintain the investment for a minimum period of 5 years (see 2.3 above), it is noted that the Fund has a term of 12 years from its date of incorporation. The general meeting of unitholders may, upon proposal by the Management Entity and with at least 6 months' notice before the end of the Fund's term, approve by majority of votes cast an extension of this term by periods of one year, either once or more times (see Article 1(3) of the Fund's Management Regulations).
33. In addition, according to Article 5(6) of the Fund's Management Regulations, an investment period will begin on the date of incorporation of the Fund and expires 6 years upon the end of the subscription period. This period may be extended for an additional year, if so approved by the general meeting of unit-holders.

³ Approved by Decree-Law no. 486/99, of 13 November, recast by Law no. 35/2018 and consolidated, as amended ("Portuguese Securities Code").



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34. Considering the foregoing, we understand that the minimum 5-year investment requirement in Portugal can be fulfilled by the potential investors in relation to their investment in the Fund.
35. Concerning these final two requirements - the minimum investment of EUR 500.000,00 and the obligation to maintain the investment for at least 5 years - the investor seeking the Golden Visa must issue a sworn statement affirming its adherence to the quantitative and temporal minimum requirements (5 years) of the investment activity in Portugal (see Article 65-D (15) of the Regulatory Decree 84/2007).
36. In addition, the following documents will also be needed: (i) a statement from a credit institution authorized or registered in Portugal with the Bank of Portugal, certifying the effective transfer of an amount equal to or greater than the legally required minimum; and (ii) a certificate proving ownership of the units, free of any encumbrances (issued by the entity responsible for maintaining an updated register of the holders of units, in accordance with the law, the respective management regulations, or contractual instrument) (see Article 65-D(11) and (9)(a) of the Regulatory Decree 84/2007).
37. We proceed to analyse the verification of the requirement stipulating that 60% of the CIU's investment value must be allocated to commercial companies with registered offices in national territory (see 2.4 above).
38. In this regard, in accordance with the Fund's investment policy established in Article 5 of its Management Regulations, the purpose of the Fund is to invest in majority shareholdings (share deals) in small and medium-sized **companies with registered offices in Portugal**, whatever their legal form, with growth and appreciation potential, **whose activity is focused, directly or indirectly, on hotel management**, in particular the management of companies related to the development, operation and maintenance of hotels, resorts, aparthotels or other hospitality operations, as well as any other complementary services, with a geographical focus on the areas/regions of Porto, Lisbon, the Algarve, Madeira, and the Azores (see Article 5(3) of the Fund's Management Regulations).



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39. The Fund can also invest up to 20% (twenty per cent) in projects in sectors other than the hotel management (see Articles 5(3) and 6(1)(d) of the Fund's Management Regulations). It is not clear from the combination of this limit and the provisions of the previous paragraph whether, when investing in minority shareholdings in other sectors than hotel management, the investments must also be channelled into companies with registered offices in Portugal.
40. In any case, the HAVEN's investment in majority shareholdings (share deals) in small and medium-sized companies with headquarters in Portugal, whose activity is focused, directly or indirectly, on hotel management, shall be at least 80% (see Article 5(3), (4)(a) and Article 6(1)(d) *a contrario sensu*, of the Fund's Management Regulations). As a result, the Fund fulfils the minimum legal requirement of 60% of its investment being in companies with registered offices in Portugal.
41. Regarding the fifth and final requirement, it is necessary to analyse whether, in the light of the Fund's Management Regulations, the Fund's investments can be deemed directly or indirectly aimed at real estate investment.
42. According to Article 5(4) of the Fund's Management Regulations, **the Fund will not acquire or sell real estate assets** (asset deals).
43. Furthermore, Article 6(1) of the Fund's Management Regulations, which sets out the limits on the composition of the Fund's assets, states in paragraph c) that **the Fund cannot own real estate assets**.
44. In the view of the above, HAVEN's investment policy makes it clear that the Fund **will not make any direct investment in real estate** (see Article 6(1)(c) of the Fund's Management Regulations).
45. The Fund will essentially acquire companies by investing in their capitalisation to develop, directly or indirectly, **their activities in the field of hotel services**. As per our opinion stated above in 2.5, since the Fund is not investing in companies whose corporate purpose is real estate activities as described in the Economic Activities Code (CAE), such as the purchase and sale or resale of real estate assets, real estate development, property



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leasing, and real estate management on behalf of others, but rather in activities related to hotel management, with their respective CAE (economic activities' code) classified in a distinct category from real estate activities, there is no indirect investment in real estate by the Fund.

46. Also in this context, it should be noted that the Fund's investment policy allows it to invest up to 20% in other sectors. From this, one might infer the possibility that the Fund could eventually invest in companies with a real estate activities CAE.
47. However, the provision of Article 5(4)(last paragraph) of the Fund's Management Regulations is essential to clarify any doubts that may arise regarding the admissibility, in the light of the Fund's investment policy, of indirectly investing in real estate. In accordance with the said stipulation: *"(...) the Fund's investment policy complies with the requirements of Law no. 56/2023, of 6th October, as well as the terms and conditions established by Law no. 23/2007, of 4th July, in its current wording, for the purposes of a Residence Permit for Investment Activity ('ARI')."*
48. In this regard, one of the requirements introduced by Law 56/2023 amending Law 23/2007 is precisely the prohibition on the investment activity being directly or indirectly aimed at real estate investment (see Article 3(5) of Law 23/2007).
49. Thus, in the view of HAVEN's Management Regulations in force, it must be understood that, within the scope of the Fund's investment policy, **indirect investment in real estate in not admissible in any situation.**
50. In light the foregoing, just from analysing the Fund's Management Regulations, it is possible to conclude that the Fund is eligible under Golden Visa Program.
51. We are therefore of the opinion that HAVEN is eligible for receiving investment for the purposes of obtaining a residence permit in Portugal.
52. Finally, it is important to underline that the Management Entity will have to issue a statement confirming compliance with all requirements regarding the eligibility of the Fund under the Golden Visa Program. This statement will be submitted to AIMA as part of the Golden Visa application (see Article 65-D(9)(b) of the Regulatory Decree 84/2007).



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The statement will be supported by the Fund's investment policy, which governs how the capital raised from investors will be invested by the Management Entity on behalf of the Fund.

§ 4. Conclusions

The precedent analysis can be summarised into the following conclusions:

- A.** According to the legislation in force, the application for a Golden Visa requires the performance of one of the several investment activities provided for in the Law.
- B.** One eligible investment activity involves the transfer of capital in the minimum amount of EUR 500.000,00, intended for the acquisition of units in non-real estate collective investment undertakings established under Portuguese law. These CIUs must have a maturity of at least 5 years at the time of investment, and at least 60% of the value of the investments must be made in commercial companies with registered offices in Portugal.
- C.** In the specific case of HAVEN, given the provisions of its Management Regulations and, in particular, its investment policy, it is concluded that all the requirements for the Golden Visa program have been met. In fact:
 - i. The Fund is a non-real estate collective investment undertaking and it has been duly incorporated and registered under Portuguese legislation.
 - ii. It allows for a potential investor to invest an amount equal or higher than EUR 500.000,00. The units in Categories C1, C2 and C3 were essentially structured to enable investment by investors of the Golden Visa Program, complying with the deadlines and procedures of all phases of this Program as set out in Law 23/2007.
 - iii. The Fund has a term of 12 years from its date of incorporation and an investment period that commences on the date of incorporation of the Fund and concludes 6 years after the end of the subscription period.



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- iv. According to the Fund's investment policy, direct or indirect investment in real estate is not admissible. Regarding indirect investment in real estate, it is our understanding that it should be interpreted as investment in companies whose corporate purpose is real estate activities as described in the Economic Activities Code (CAE). We emphasize, however, that there is currently no guidance from public authorities, particularly from the AIMA, on this matter, namely by clarifying what is meant by indirect investment in real estate. Therefore, the fewer connections a specific company in which the Fund invests has to the real estate sector, the lower the risk that AIMA might consider the investment as an indirect real estate investment in practice, given the current lack of clarity from this authority regarding the definition of indirect real estate investment.

- D. In light of the foregoing, from analysing the Fund's Management Regulations, it is possible to conclude that the Fund is eligible under Golden Visa Program. We are therefore of the opinion that HAVEN is eligible for receiving investment for the purposes of obtaining a residence permit in Portugal.

- E. Finally, it is important to underline that the Management Entity will have to issue a statement confirming compliance with all requirements regarding the eligibility of the Fund under the Golden Visa Program. This statement will be submitted to AIMA as part of the Golden Visa application, and it will be supported by the Fund's investment policy, which governs how the capital raised from investors will be invested by the Management Entity on behalf of the HAVEN Fund.

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