

## **Why do people want Icelandic citizenship? (What is the motivation?)**

My clients are worried about the citizenship they acquired at birth. They are worried that their children may be drafted into wars that they do not believe in.

They are worried about potential environmental problems caused by existing dependence on fossil fuels and potential disasters such as nuclear reactor meltdown. They are worried about the path that their society is on with regards to environmental issues, freedom of expression, and sustainability.

They are attracted to Iceland because of its clean environment, its ability to become the first society to become independent of fossil fuels without resorting to dangerous nuclear power and the high value that is placed upon peacemaking, freedom of expression, human rights and democracy. Because they are growth creators who create employment rather than seek it, they are encouraged by Iceland's possibilities and not discouraged by Iceland's present economic situation.

### **You use the term Growth Creators. Is this the same as Audmenn?**

As has been explained to me, the term "Audmenn" refers to people who have gained wealth through illegitimate means such as stealing from others. Or it could refer to wealthy people who use their money on rampant consumerism or funding socially destructive activities. I like to use the term "jackasses" for these types of people. A number of years ago, I put in a "No Jackass Clients" rule in my legal practice. My rule of thumb is "Don't take a client who you wouldn't enjoy having dinner with or want to introduce to your children". As a result my clients, including the ten current applicants are not "Jackasses" or "Audmenn".

Rather they are people who have gained success through legitimate means and who view the use of that wealth as a means to secure their families and better their communities. This is why the clients were enthusiastic in joining a society such as Iceland which had values more in line with their personal values than the country of their birth. My clients come from various walks of life including the entertainment industry, manufacturing, and socially responsible finance. They already have determined that strategic philanthropy is an important part of their lives and are looking for ways of creating a worthwhile legacy that will endure beyond them.

### **Why did you choose Iceland?**

Actually, I was approached by Icelanders rather than my approaching Iceland. Several Icelanders who had previously studied and worked abroad in "innovation hubs" had returned to Iceland during the boom to raise their families. Given the post-crisis economic environment, they were contemplating emigrating abroad but recognized that Iceland had several of the key elements of a potential "Silicon Valley North". While they understood that Iceland is punching way above its per capita weight with regards to the education, experience and innovativeness of its people, they realized that there needed to be a greater number of growth creators in order for Iceland's "Digital Harbor" to reach a critical mass. It is important to note that California's Silicon Valley, had over a thousand times the "capita", still found it critical to actively seek the immigration of foreign growth creators. These Icelanders reached out to me and asked me to visit Iceland, as I

represented the exact type of growth creators they were interested in attracting. I was intrigued and also had already included Iceland on my “bucket list” of places to visit because of fond recollections I had of spending time with Icelandic friends in Gimli. After that first trip, I was impressed and “Inspired by Iceland” enough to return for a second trip. I am now planning my 8<sup>th</sup> trip in less than a year.

### **Why an investment in exchange for citizenship?**

When I originally spoke with Icelanders about how my clients could show their upfront commitment to the Icelandic community, I suggested that they make a donation to an Icelandic charity such as those helping the recently unemployed. The overwhelming feedback that I received was not to give Icelanders fish for a day, but rather to bring in patient investment capital, connections and customers so that Icelanders could build more fishing poles. Then Iceland could enjoy more than a temporary reprieve but rather build a more vibrant and sustainable future. That is how we came up with the concept of a significant upfront long-term 10 year financial commitment in investing in start-up and fledgling companies.

### **Is this an attempt for foreigners to buy up Icelandic Natural Resources or Energy?**

Neither myself nor my clients have ever expressed any interest in purchasing Iceland's natural resources including geothermal energy generation or distribution. That Icelanders view these items as the sacred property of the Icelandic people for today and the future, became apparent to me, as my numerous visits to Iceland coincided with the unfolding of the Magma controversy. As a complete aside, the viewpoint of these items as national treasures is one which I personally share with the 30,000 signatories to the Magma petition.

Since my clients have never expressed an interest in privatizing Icelandic public assets or opposed the return of previously privatized assets such as those of HS Orca to public hands, we had no hesitation to putting in specific written exclusions from investment in Fisheries, Energy Generation or Distribution, and heavy industries such as Aluminum in both the investment vehicle and suggested policy guidelines to the government.

Since I have never had cause, I have never actually examined the laws relating to privatization or foreign ownership of Iceland's natural resources. However, it is my understanding from newspaper accounts of the Magma controversy that there are already restrictions in Icelandic law which prevent these resources from falling into private hands (Icelandic or foreign). If there are not, then neither my clients nor I would have any objections to such laws being put in place.

### **What is your connection with NLE and is this a front for an attempt to take over HS Orca?**

Since the first outreach to me by the concerned Icelanders, with the assistance and direction of Invest in Iceland, we have visited a large number of existing and fledgling Icelandic companies and innovators looking for potential places to place this initial commitment money. In addition, I have managed to persuade 11

growth creators to actually get on a plane and visit Iceland to look at situation firsthand. This allowed them to visualize living and doing business in Iceland. The Icelandic businesses we visited included software development, manufacturers, film and television, datacenters and green innovators like Northern Lights Electric (“NLE”), which has made great strides forward in bringing a viable electric vehicle ecosystem to Iceland. We determined that there were some interesting potential ways to help these companies by supplying customers, connections and capital. Once this was done, we focused again on trying to get the government of Iceland to determine whether they wanted to adopt a policy to attract growth creators. The feedback that we received was that it would be helpful to the government if they could visualize an actual potential investment. As our initial discussions with NLE had gone the furthest we signed a letter of intent to look further at this company as one of the first potential investments . Furthermore, as the principals at NLE had met several actual visiting growth creators, they were the most excited about the potential this type of program could bring to Iceland. Of course any actual investment is dependent on the government of Iceland first adopting this concept and investment monies then becoming available. If this occurs then the formal discussions and due diligence with NLE and other target investments would proceed further.

### **How do we know these people are not criminals or fraudsters?**

My clients are seeking Icelandic citizenship under Article 7 of the Citizenship Act. Unlike applicants under Article 6, they have not previously resided in Iceland for 7 years. As a result, Icelandic police authorities do not have the benefit of a long history of being able to monitor their activities to ensure that there is no prior criminal activity. In order to assist Iceland to ensure that my clients are not criminals or fraudsters and to confirm their basic background information, I have suggested that it would be appropriate for my clients to supply a detailed independent background security check from a reputable third party. This is not meant in any way to be a replacement of Icelandic authorities reviewing the background on an individual; rather it is a helpful tool to assist them. As my fellow professionals in this area will agree, a superficial Google search is no substitute for a detailed background search. Detailed background searches involve cross checking references, independently checking biographical information and checking with police and regulatory authorities in every jurisdiction that an individual has lived and operated. In fact, a simple Google search can be dangerously misleading in not only failing to turn up prior misdeeds, but also in providing false positives caused by misinformation or incomplete or unverified accusations or slander.

### **How do we know they are not tax evaders?**

Tax evaders are criminals who illegally do not pay tax that they are required to by law. Legal tax avoidance is what a person does when they take an allowable deduction like their pension fund contribution or their seaman's credit.

I do not represent tax evaders. My clients are individuals who have always paid every cent of tax required by law. However, they feel distressed that some of those tax dollars are paid to fund activities such as military actions, which are completely in opposition to their personal value system. They also sometimes feel that their tax money is used for the vanity of politicians rather than for the good of the community. They seek to live in a place where their tax dollars are used meaningfully and responsibly. Iceland is not, and has never been a tax haven. It is a place which my clients believe will better use their tax contribution. If a client was interested in paying no tax, Iceland would be the last place they would approach.

### **Are your clients fleeing lawsuits or creditors?**

It is sometimes difficult for individuals who do not live in the U.S. to understand the environment there. To put it in perspective, over 90% of the world's lawsuits are filed in the U.S. While some of these suits are brought by plaintiffs who have legitimate claims against the defendant, there is also a very large problem with baseless "nuisance lawsuits". These are brought by contingency fee lawyers on behalf of plaintiffs who have little to no legitimate claim against a defendant. The hope of these plaintiffs is that the defendant will pay some settlement to "go away" rather than spend even more money on lawyers to defend against the baseless suit. Growth creators are overwhelming the target of these nuisance lawsuits, as they are perceived as having deep enough pockets to pay go away settlements.

If an individual has already been served with a lawsuit, or has committed an act which could give rise to a future lawsuit, moving to Iceland will be of absolutely no assistance to them. It is because some of these individuals are tired of living in the lawsuit minefield of the U.S. that they are seeking to move themselves and their families to the more reasonable and equitable legal environment of Iceland. They want to free themselves of the personal and business fear of being subject to litigation blackmail.

### **Why do the Article 6 Applications need to be expedited instead of undergoing the normal 7 year naturalization period of an article 7 Application?**

My clients are motivated by uncertainty and uneasiness in their current citizenship and home. Before they feel comfortable in moving their families and activities, they wish to have the security of knowing that they have the same status as other members of the Icelandic community. Iceland wants to reap the benefits of their full membership in the Icelandic community as quickly as possible. Placing a 7 year probationary period on membership in the Icelandic community is in neither Iceland's or the Applicants best interest.

### **Why should Iceland grant citizenship when the UK only grants residence?**

Some countries such as the UK grant residence leading to citizenship to attract growth creators. Other countries such as Austria offer immediate citizenship.

With over 20 years of experience in this field it is my experienced opinion that an individual is more likely to fully engage in a society when they feel the security of knowing they are a full member of that society. As Iceland wants to quickly reap the full benefit of the activity of a growth creator, it is in Iceland's best interest to grant citizenship immediately upon a tangible demonstration of the growth creator's bona fides.

### **Why aren't spouses included?**

I have no idea where this rumor started but it is a wonderful example of why a discussion of this type should take place with a full and clear understanding of the facts. I wish to confirm that if one of my clients is married, their spouse is included in their application (unless the spouse has some specific issue which prevents them from wanting to apply). Furthermore where an applicant has dependent children, their children are also normally seeking citizenship.

### **Why are you using Nordik Legal Services who had connections to the disgraced Vikings?**

Iceland is a small nation. As a result, there are a limited number of legal and accounting professionals. It is necessary for my clients and us, to engage legal, accounting and other business services in order to properly carry out our activities. Therefore, it is not surprising that either a specific professional or their partner had previously acted for one of the Icelandic banks or discredited Icelandic business people. During my various visits to Iceland we were introduced to several different lawyers but selected Einar Pall Tamimi of Nordik Legal Services. We have been very happy with the quality of services that he has provided to us.

### **How do we know that these applicants are not a front for discredited Vikings investing in Iceland?**

This is an issue that I have to admit took me by surprise. I have never actually meet any disgraced Vikings, but I would gather that if they wanted to invest in Iceland, they could find various ways of doing so without recruiting my clients or other foreigners. However, by requiring a detailed background check, Iceland can determine that my clients are successful growth creators. By examining the banking information supplied during the application process, they can confirm that all monies are the applicant's.

### **How can we ensure that Iceland will receive a positive benefit from granting your clients citizenship?**

In order to show their upfront commitment to the Icelandic nation, my clients have agreed to make significant investment up front that will be locked in for ten years in job creating industries. This investment is in start-up and growth companies and is specifically not in the areas of fisheries, power generation and distribution and heavy industries. They have signed legally binding commitments to do so

and have backed this up by placing the required investment in escrow with a major financial institution pending their acceptance to the Icelandic community. While both the applicants and Iceland are seeking a more significant long term investments, this initial investment gives to Iceland a guaranteed economic benefit and gives to the applicant the comfort to move forward with their personal and business relocation to Iceland.

**Why should these applications be granted citizenship under Article 6 and not other humanitarian cases?**

Part of Iceland's attraction for my clients is its history of protecting human rights. In no way are we suggesting that Iceland should not consider the exercise of its powers under Article 6 in humanitarian cases. We are simply suggesting that it may be in Iceland's best interests to consider whether they want to extend the use of Article 6 beyond humanitarian, cultural or athletic contribution to those of economic growth contribution. Many other countries have used similar powers to great long-term benefit for their native populations. If Iceland wishes to join countries such as Canada, the U.K., the U.S., Australia and New Zealand they could enjoy a similar positive experience. Considering the size of Iceland's population, it may even find such a program transformational.

**Why were you so secretive about all of this?**

Actually, we felt we were anything but secretive as we saw a real opportunity for both Iceland and my clients. We met as many people in all walks of life as we could convince to meet with us. As discussions continued, we were able to convince a number of my clients to not only visit Iceland but to actually put themselves forward to become candidates to become full members of the Icelandic community. As a courtesy to the politicians who we had not yet had an opportunity to meet, the Icelanders and I decided not release any press releases until such time as all politicians had an opportunity to fully examine the opportunity and decide for themselves whether this was something that Iceland was interested in exploring. Now that the general public is fully aware of this opportunity, we all look forward to an opportunity for all Icelanders to look at the facts (rather than misinformation, rumor and fear) to decide if they want to be like other G-20 countries in put in a "win-win" policy to attract growth creators to help their nation.

**Were you surprised that the media and public reaction was to make jokes about this concept?**

I enjoy schoolyard humor as much as this next person, especially the cartoon featuring Colonel Quadaffi at the airport. Obviously no scoundrel like this would ever get past the security check no matter how much money they had.

I was in Iceland standing in front of Parliament talking to people during the last 2 protests. I heard from many people that Iceland has adult problems with unemployment, record low government tax revenues, huge debt, people about to lose their homes, and watching their friends and neighbors move away because they don't have hope for the future. Iceland also has enormous potential to

become a clean, self sustaining, fossil fuel free, and environmentally pure innovation centre. However to turn dreams and potential into reality you need a plan and an implementation strategy.

I think the politicians and the media owe it to the Icelandic nation to have an adult conversation and examination of a real proposal to help out with these serious problems. Now is not the time to operate on blind fear, misinformation, prejudice and half truth. Now is the time to ask the tough adult questions about this possible solution to help with Iceland's serious issues and determine in a thoughtful, transparent manner whether this is a solution for Iceland to explore. The threshold question for the Icelandic nation is "Would such a program be helpful in dealing these problems and realizing Iceland's full potential, if properly administered?" If the answer is no, then that is the end of the discussion. If the answer is yes, then the next question would be, "What are the standards and criteria of screening and commitment that you will require of any applicant?" Once these standards are set out, then you can objectively review any given application against these criteria and either accept or reject the application according. Colonel Quaddafi would certainly be rejected. Yoko Ono or Steve Jobs might be accepted.