



REGIONAL CENTER BUSINESS JOURNAL

OCTOBER 2017



GLOBAL CONNECTIONS. LOCAL RESULTS.

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Dear Conference Attendees:



On behalf of IIUSA Officers, Directors, President's Advisory Council and staff, welcome to the 7th Annual EB-5 Industry Forum. We are thrilled to bring the EB-5 industry's premier business development conference to Miami this year, a city known for its eclectic culture, vibrant people, beautiful beaches and a thriving business sector. EB-5 is a part of the fabric of Miami, with projects scattered throughout the city, helping to bolster the local economy and bring jobs to people and areas that need it most. Particularly this year, we are proud to bring our industry of economic drivers to a city and region that needs and deserves our support after the damage and destruction of Hurricane Irma. While we certainly did not plan it this way, we are glad we can bring hundreds of EB-5 professionals to the city to support its residents and businesses.

In a time for the industry that sometimes can feel like déjà vu, we took great care this year in crafting our conference agenda to reflect not just the current state of the EB-5 Regional Center Program, but to look optimistically to the future. Our theme, "Global Connections. Local Results." seeks to demonstrate the interconnected world of EB-5. By the nature of EB-5, what occurs overseas with marketing, investor acquisition, and overall business practices innately effects the outcome and impact on the communities that EB-5 projects are working to improve in the U.S. The agenda for this year's Industry Forum draws the line from these global connects to the local results while also looking to the future of the EB-5 Program, addressing ways to continue to promote industry best practices and professional conduct as well as challenges the industry faces as it grows and evolves.

Thank you to our sponsors for making this conference possible. And to our speakers for lending your industry expertise to ensure this is a successful and educational event for all those who attend.

This conference handbook has all the essential information you need for the conference. Also make sure to download the conference app from iTunes or Google Play by searching IIUSA. The conference app will have the most up-to-date information as well as supplemental documents for panels.

Thank you for your continued support of IIUSA and the EB-5 Regional Center industry. I hope you find your time at this year's Industry Forum to be valuable for your professional and business development. Together we continue to bring investment and economic development to communities all across the country and I look forward to another successful conference with my peers.

Sincerely,

Bob Kraft
President, IIUSA

Letter from the Editor

DEAR READERS:

As the EB-5 Regional Center industry refines business practices for compliance in a realm where short-term reauthorizations are regrettably the norm, it keeps an attentive ear to developments in Washington, DC. But in communities throughout the country the transformational impacts of EB-5 investment continue uninterrupted, no matter the progress or stalemate inside the Beltway. The conference theme for the EB-5 Industry Forum in Miami -- Global Connections. Local Results. – speaks to how this inherently global industry is intrinsically linked to local development and improving American communities.

The EB-5 Regional Center industry, collectively, is entrusted with stewardship of a program that is in its third decade and continues to grow and mature, realizing the job creation and regional economic development envisioned by its creators. The articles in this special conference edition of the Regional Center Business Journal reveal how EB-5 practitioners not only meet the challenges of uncertainty in the increasingly complex EB-5 industry, but also innovate, adapt and thrive. Effective stewardship requires nothing less.

If you are attending the Miami conference, you will find this special edition of the Journal and the conference programming to be valuable education tools. Your ongoing support of IIUSA and the Journal are appreciated, and your genuine feedback is welcome. You might take the opportunity presented by the Industry Forum in Miami to pitch us a publication idea for our next edition.

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Roles in an EB-5 Transaction

Over the years, many regional center models have claimed to be the next big thing. Many of these models seek to blur the lines between regional center, developer, agency, attorney, and client.

Many current EB-5 offerings are vertically integrating one entity in the roles of the regional center, the developer, the party to the EB-5 offering and the general partner. Many of these same developers are attempting to entice overseas agencies and broker dealers to sell investors through high referral fees made up of an upfront payment and interest payments each year. The decision is then based on exorbitant fees rather than the merits of the EB-5 project. CMB urges each of us to be cautious and keep in mind the roles of the various parties within an EB-5 transaction. It is when these lines are crossed that doing what is best for the immigrant-investor gets lost and failures occur.

The goal of the project developer is to complete their project in a way that allows them to receive a return on their efforts. Simply put, this is done by finding appropriate financing, working with quality contractors, completing construction, and operating the new facility. Developers often view EB-5 as another source of capital no different from an equity partner or a bank. If the project fails in a transaction where the developer is also an affiliate of the regional center, who will defend the EB-5 investors? The failures in our industry to date have shown that the regional center will not defend the immigrant investor; they will defend the developer (after all, they are the developer).

We have always encouraged investors and their counsel to consider how money is being made within the EB-5 transaction. Look at who is being paid, how they are being paid, why they are being paid and how much they are being paid. Now one must determine if these payments align with the goals of the EB-5 petitioner or if there are conflicts of interest. If the regional center is owned by the developer, the regional center is not worried how they will make money – the regional center only exists to make the developer more money by providing cheap capital. In the same transaction, an agency is likely being overpaid to encourage immigrant-investors into an EB-5 partnership solely for the purpose of getting paid more. What is missing in this model? The answer is simple, a fiduciary for the EB-5 investor in the transaction.

CMB will continue to shine light on these issues from our “soapbox” in the hope that every EB-5 transaction is structured to give the EB-5 investor the highest likelihood of success in their immigration pursuit. CMB has been advocating for reforms to the EB-5 program for many years. We will continue this fight.



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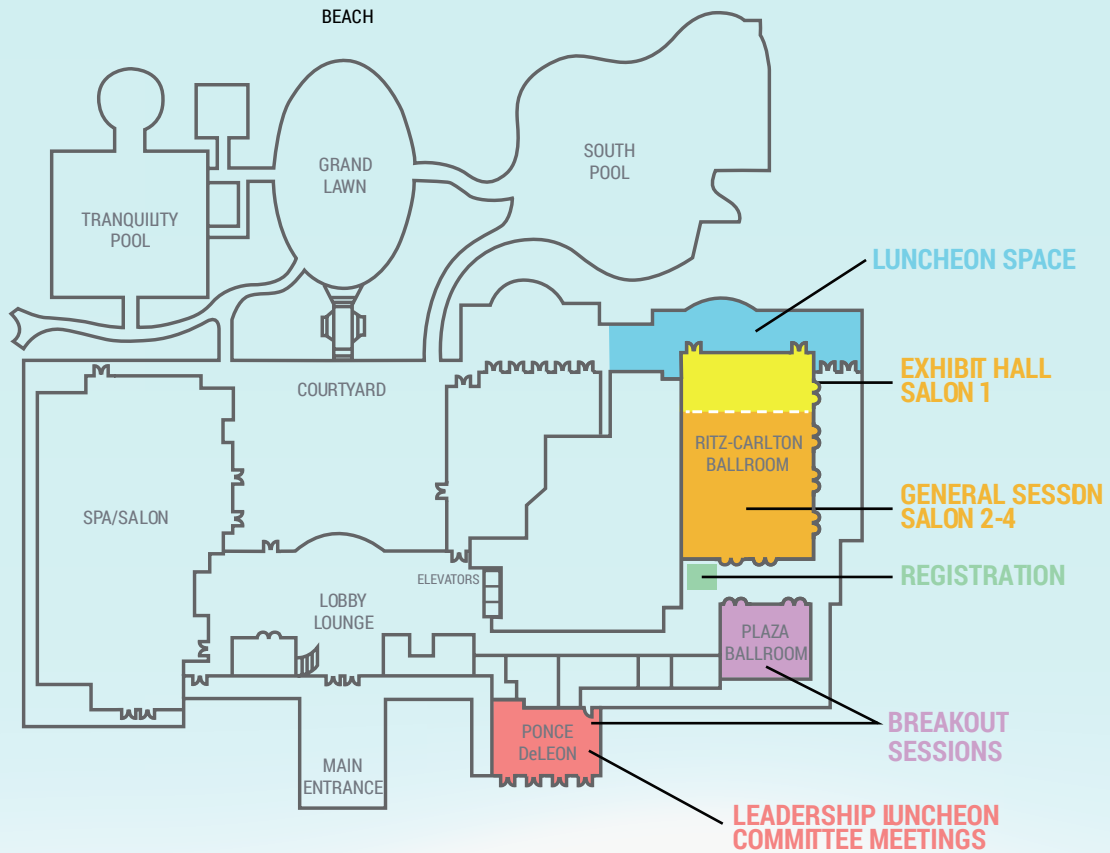


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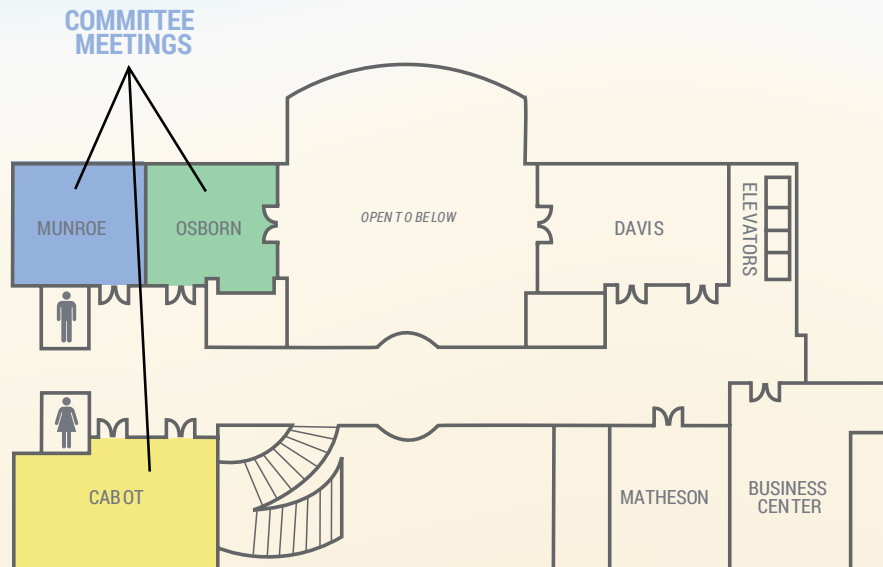


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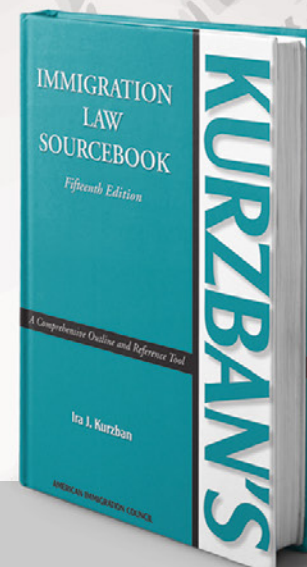
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Florida Overseas Investment Center is one of the few statewide Regional Centers in Florida. The firm was authorized in 2009, and approved for investment activities in 14 industrial categories. Florida Overseas has earned a reputation for providing best-in-class, secure, loan-based investment projects to the EB-5 market. The company has sponsored successfully funded projects throughout the State of Florida, including grocery-anchored shopping centers, an oceanfront hotel, a mixed-use office building and 35 charter schools. To date, EB-5 investment of approximately \$500 million has been funded. Florida Overseas has a track record of success, with over 600 I-526 approvals as well as successful I-829 petitions. Happily, the firm has begun its stated intention of returning 100% of investment capital to investors.

ARNSTEIN & LEHR LLP

Saul Ewing Arnstein & Lehr is actively involved in serving as corporate/securities and immigration counsel for multifaceted industries involving EB-5 offerings and foreign investors. The firm represents a number of Regional Centers, developers and investors in EB-5 offerings, including the preparation of private placement memoranda and related documents and performance of project immigration and EB-5 compliance review, I-526, I-829 and I-924 filings. The firm also offers comprehensive immigration services including all immigrant and nonimmigrant visas for foreign investors. Members of the group have actively lectured and published in the EB-5 corporate/securities and immigration fields throughout the U.S, China, India and the UAE.



With over 20 years of experience CMB Regional Centers is one of the oldest active regional centers. CMB operates 11 regional centers in 18 states and D.C. CMB is a pioneer in EB-5. CMB was the first to rely solely upon indirect and induced job creation, and introduced the loan model. These practices are widely implemented by other regional centers and are used throughout the EB-5 industry today. CMB has subscribed over 5,000 limited partners in over 60 partnerships, raising over \$2.6B. Over 4,000 limited partners have received I-526 approvals, over 750 limited partners have received I-829 approvals, and CMB's first seven partnerships have returned capital.

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NES Financial is a Silicon Valley financial technology (FinTech) company providing technology-enabled solutions and services for the efficient back and middle office administration of complex financial transactions. Serving private equity, commercial real estate, and Fortune 1000 clientele, we offer industry-leading fund administration, loan servicing, specialized EB-5 administration, and 1031 tax deferred exchange services. Our unwavering commitment to data security, operational redundancy, and compliance reporting is evidenced by 11 consecutive years of successful independent audits of our technology, processes, and financial controls. Today, NES Financial services over 190 funds, administers over \$75B of 1031 assets annually, and has worked with over 450 EB-5 projects. For more information, visit nesfinancial.com.



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Rahbaran & Associates provides comprehensive immigration counsel to individuals and multinational corporations. We understand the legal, political and business contexts in which immigration concerns arise, and deliver customized and practical solutions to businesses as well as individuals maneuvering the complexities of U.S. Immigration policy. Our offices are located in Washington, D.C., steps away from the White House, where we are attune to emerging legislative developments that may affect a client's case, and Miami, Florida, the capital of Latin America. Our multilingual team of English, Portuguese, Spanish, Farsi and German speakers are here to answer questions and strive to make your experience with the immigration process as streamlined as possible. For further information on Rahbaran & Associates, please see <https://www.eb5link.com/>



NYSA EB-5

Nysa Capital, LLC is a EB-5 firm that offers turnkey solutions to both foreign investors and domestic developers. We provide qualified investors with a legal immigration method to the United States by providing sound investment opportunities. Headquartered in Atlanta, GA, Nysa also has offices in Sao Paulo, Beijing, Seoul, Singapore, Vietnam and Miami. Due to our strict due diligence process, Nysa has rejected over 100 projects to date. Combining this with our "boots on the ground" approach provides our investors with the best possible investment opportunities. Always accessible, Nysa will make sure that your family will have a smooth transition to U.S. permanent residency.



Torres Law, P.A., is a South Florida law firm that concentrates on complex corporate and securities law matters. We have extensive experience in the preparation of offering documents for real estate investment clients, for EB-5 projects and other issuers. For the past 6 years, Torres Law has been active in the EB-5 industry and is recognized as one of the leading EB-5 securities law firms. We regularly represent regional centers, developers and projects with their corporate structuring and securities offerings matters, including those involving hotel development, multi-family residential, senior independent living complexes, healthcare companies, restaurants, franchise concepts and others. In addition, the firm often serves as outside general counsel to various businesses in connection with joint ventures, mergers and acquisitions, financings, employment, licensing, distribution, franchising and company formation matters.



The New York City Regional Center was approved by USCIS in 2008 to secure EB-5 investment for real estate and infrastructure projects within Brooklyn, Queens, Manhattan, and the Bronx. The NYCRC was the first EB-5 regional center approved in New York City and has helped provide more than \$1.4 billion of EB-5 capital for 21 economic development projects throughout the city. The NYCRC is proud of its track record of investor immigration approvals: • Over 1,500 I-829 Approvals • Over 4,500 Permanent Green Cards • Over 5,400 Conditional Green Cards • Over 2,400 I-526 Approvals • Total of \$125 million of EB-5 loan proceeds repaid to 250 EB-5 investors in the initial two NYCRC offerings



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As escrow agent, BofI Federal Bank is an industry leading institution that provides comprehensive services to EB5 programs on behalf of USCIS-approved Regional Centers. Utilizing a dedicated and experienced team of EB5 professionals, their services simplify the process of receiving applicant's overseas assets, freeing the Regional Center to identify enterprises that fulfill the obligations of the EB5 program. Early release of funds may be available.



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The FRR Corporate is floated by Mr. Parag Mehta and Mr. Janak Mehta, who each have an experience of 30 years in the foreign exchange and capital markets of India, respectively. FRR is a Financial Services Corporate engaged in Foreign Exchange Money Changing, Stock Broking, Inter Bank Foreign Exchange Broking, Currency Derivatives and EB-5. We are located at 44 locations in India with a strength of 264 employees. FRR SHARES is YOUR EB-5 COORDINATOR in India. We look forward to welcoming you to our company and assisting you with your EB-5 needs.



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Capital United has created Redeployment Solutions designed specifically to satisfy USCIS EB-5 "at risk" requirements. These Redeployment solutions include the Greystone Real Estate Short Term Debt Fund, and uses NES Financial as the redeployment account administrator.



Founded in 1951, Fragomen is the world's leading single-focus provider of immigration guidance and support, with over 40 offices and more than 3,450 professionals worldwide. The firm has a comprehensive EB-5 practice with extensive experience helping investors navigate the complex and challenging EB-5 laws and processes.



American Lending Center LLC (ALC) was registered in California in June 2009 by current CEO John Shen. It was designated by USCIS as a regional center on April 12, 2010, and obtained a California finance lender license in November 2010. As of Sept 1, 2017, ALC, along with 10 other sister regional centers, has successfully funded over 60 SBA projects in 16 states and achieved a perfect 100% success rate. These SBA approved projects have collectively created over 5000 full time job opportunities nationwide and are supporting more than four hundreds of investors in the process of obtaining permanent residency in the U.S.

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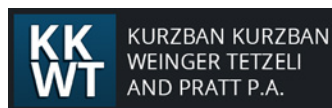
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Pratt P.A. ("KKWT") is the leading law firm for complex EB-5 federal court litigation, including review of I-526/I-829 denials & mandamus.



Impact Data-
Source's team
of specialized

EB-5 economists offers comprehensive services and exceptional tools to support EB-5 projects, including job creation reports, TEA analysis/assistance, and more.



Mount Snow has successfully raised \$52 million in EB-5 in Phase 1. Phase 2 of its master plan includes 104 two- and three-bedroom units at the base of the ski slopes.



Our Regional Center's principals are veteran immigration attorneys.

We strive to feature hospitality and restaurant financing projects with a high level of job creation and maximum retainment of capital.



Edward Be-
shara, Man-
aging Partner,

BESHARAPA GLOBAL MIGRATION LAW FIRM, Adjunct Professor Business Immigration, Advisory Committee of the Investment Migration Council (Switzerland), Top 25 EB-5 Investors Magazine.



Extell Development ("Extell") is a nationally acclaimed developer

of commercial, residential, retail, hospitality and mixed-use properties operating primarily in Manhattan, has a portfolio that exceeds 20 million square feet, with transactions totaling over \$10 billion USD.



BDO's Investor Immigration Due Diligence practice provides enhanced due diligence services to financial clients, citizenship by investment programs and immigration consultants across the globe.



With a portfolio of 24 projects, EB5 Capital partners with foreign

investors from over 50 different countries matching them with strong US-based investment opportunities.



With 30 years of experience, CanAm Enterprises has financed 55 EB-5 project loans and raised more than \$2.5 billion in foreign direct investments.



As the leading due diligence firm in the EB-5 industry, EB5 Diligence re-

views provide transparency to investors by outlining the financial and immigration risks.



We are a team of dedicated

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Green Card Fund operates with project developers, financial institutions and public sector leaders to design projects with high levels of community impact, mitigated risk and investor security.



Marcum offers accounting and compliance services for EB-5 investors and regional centers, including management of investor reports; documentation of sources of funds; design of accounting systems and internal controls; outsourced accounting services; USCIS compliance reporting; investor tax services; funds transfer accounting; review of financial pro-forma; and green card process and tax effects monitoring.



Full service immigration law firm representing hundreds of EB-5 investors in their immigrant petitions and providing legal support to Regional Centers.



Klasko Immigration Law Partner's EB-5 Team is one of the

most respected EB-5 practices in the world, serving clients worldwide from offices in Philadelphia and New York.



EB-5 Investment Bankers. We analyze every project for compliance, due diligence and market competitiveness. We seek bridge and equity funding. Global connections that help market EB-5.



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Since 2010,

Todd Associates, Inc. has offered liability insurance solutions to members of the EB-5 community.



We operate RCs in 29 (soon to be 34) states and we offer simple RC investor sponsorship to also assisting in the capital raise.



AAEB5 Group owns 6 Regional Centers in major cities around the U.S. We have a 100% I-526 approval track record for all of our projects.



Greystone EB-5 is the only third party, institutional EB-5 sponsor that is a full service real estate investor, lender, advisor, loan servicer and developer.



Peng & Weber has a team of eight immigration lawyers handling all aspects of EB-5 from regional center and project set-up to high-volume investor filings.



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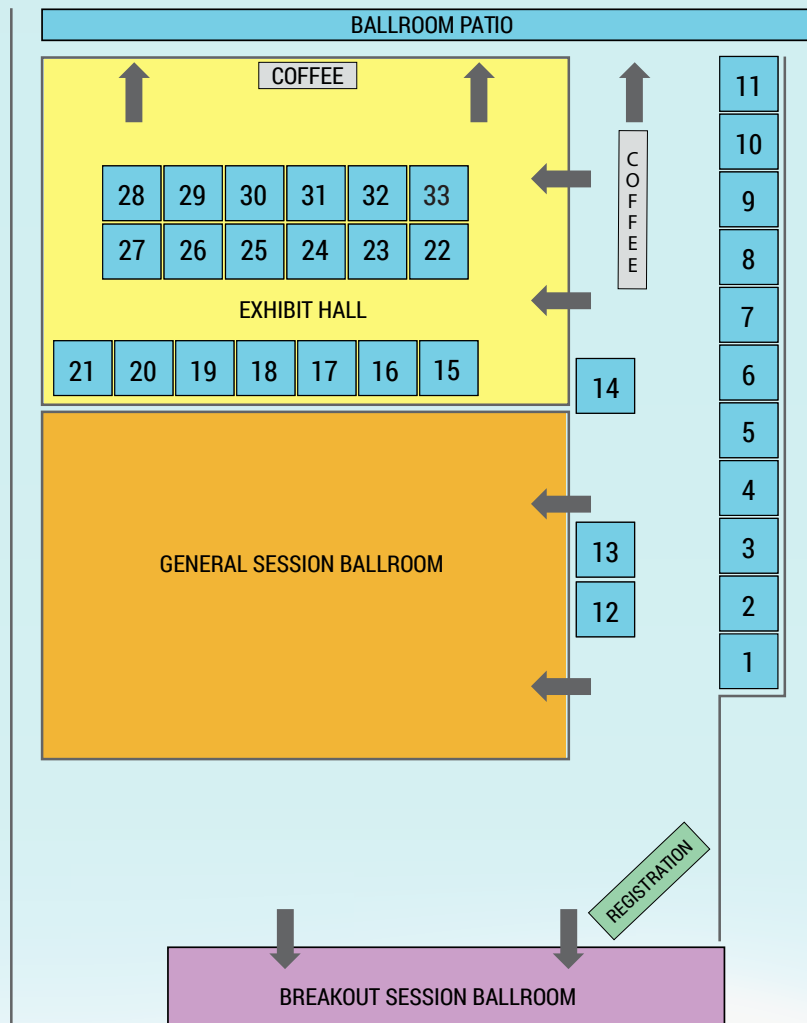
- + First EB-5 Project: \$52 Million Raised, 104 Investors from 13 Countries
- + Mount Snow Resort in Business Since 1954
- + Publicly Traded (SKIS) Parent Company Operates 14 Ski Resorts



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EXHIBIT HALL LAYOUT

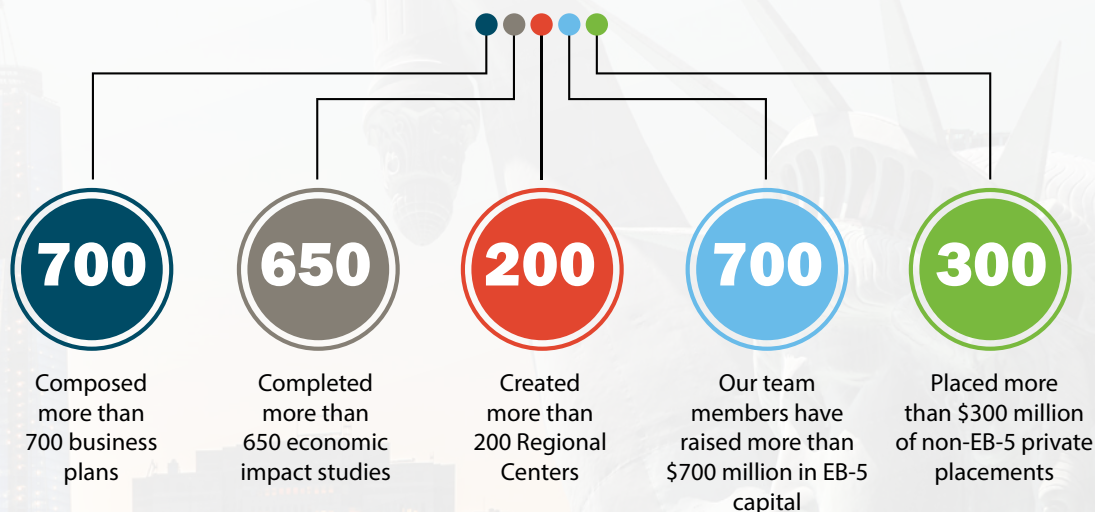


BOOTH	EXHIBITOR	BOOTH	EXHIBITOR	BOOTH	EXHIBITOR
1	NES Financial	11	Florida Overseas Investment Center	22	David Hirson & Partners, LLP
2	The Redeployment Program	12	CMB Regional Centers	23	Mount Snow
3	Torres Law, PA	13	Rahbarn & Associates	24	BDO USA, LLP
4	New York City Regional Center	14	American Lending Center LLC	25	EB5 Capital
5	Foster LLP	15	FRR Shares	26	Kurzban Kurzban Weinger Tetzl & Pratt, P.A
6	Golden Gate Global and Lennar International	16	CanAm Enterprises	27	Marcum LLP
7	Signature Bank	17	Beshara PA	28	EB5 Coast to Coast
8	Arnstein & Lehr LLP	18	Klasko Immigration Law Partners	29	EB5 Diligence
9	EB-5 for Florida Regional Center	19	Impact DataSource	30	Baker Tilly Capital, LLC
10	NYSA Capital	20	Bank of Hope	32	Bofl Federal Bank
		21	Rostova & Westerman Immigration Law, P.A.	33	Fragomen Worldwide

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Baker Tilly Capital, LLC is one of the largest EB-5 consulting firms in the U.S. focused on business plans, economic impact studies and Regional Center development and operations.

Whether you need pre-offering consulting services necessary to create an EB-5 offering, or broker dealer services to help ensure compliance with U.S. securities laws, we have the resources to fulfill your needs while delivering exceptional client service.



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Aaron Goforth

aaron.goforth@bakertilly.com

Michael Fitzpatrick

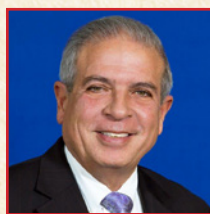
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GUEST OF HONOR SPEAKERS



Tomás P. Regalado

MAYOR, CITY OF MIAMI

Tomás Regalado was born in Havana, Cuba, on May 24, 1947. He was the first son of Carmen, a house wife, and Tomás, an outstanding attorney and journalist that became the President of the National Association of Reporters and Journalists of Cuba. Tomás Sr. was also a political Prisoner in the island for 22 years due to his struggle for the freedom and democracy of Cuba.

At the age of 14, Tomás Regalado and his younger brother, Marcos, traveled to the U.S. under the Catholic Church program known as “Peter Pan”. Marcos and Carmen sent the boys to America with the hope of having them live in freedom.

The father’s vocation for journalism was quickly reborn in Tomás. At 17, Tomás obtained an internship at the Miami radio station “WFAB” and, shortly after, he became the youngest reporter of the station. His professional training was real quick. In 1970, Tomás Regalado had become an international news reporter. His first assignments were in Africa, at the time immersed in wars sprung from the confrontation between the Soviet Union and the U.S. Tomás reported the Angolan war, the bloody revolts in Soweto, South Africa, and the violent civil war in Mozambique.

In the 1980’s Tomás reported the guerrilla warfare in El Salvador and Nicaragua, where many reporters were also casualties.

His professional jump to the top came in 1983 when he became the first Cuban American journalist to integrate the White House Press Corp. Mr. Regalado traveled with Presidents Ronald Reagan, George H. W. Bush and Bill Clinton for several years, in addition to the daily coverage of the White House news.

Tomás Regalado has been a multi task journalist. Besides writing article on newspapers, he was TV anchor for Channels 23 and 20 of Miami, and news director for the “Spanish Broadcasting System.”

His social concerns pushed him to jump into the political arena. In September, 1996 he was elected Commissioner of the City of Miami. For his brilliant performance was reelected in 1999, 2003 and 2007, the latest one without opposition. In November 2009, Tomás Regalado was elected Mayor of the City of Miami.

Tomás has three sons: Tomás Jr., Raquel and Jose, and four grandchildren. After thirty seven years of marriage his wife passed way in 2008. He is currently married to Mrs. Ana Cristina Regalado.



Robert Johnson

FOUNDER & CHAIRMAN, THE RLJ COMPANIES

Robert L. Johnson is the Founder and Chairman of The RLJ Companies, an innovative business network that owns or holds interests in businesses operating in hotel real estate, private equity, consumer financial services, asset management, automobile dealerships, entertainment, and video lottery terminal (VLT) gaming.

Prior to forming The RLJ Companies, Mr. Johnson was Founder and Chairman of Black Entertainment Television (BET), the Nation’s first and leading television network providing quality entertainment, music, news, sports and public affairs programming for the African American audience.

Johnson continues to attract and manage capital and create value for investors and in 2012, announced the successful creation of RLJ Entertainment, Inc., one of the largest independent global distributors of digital and video content. RLJ Entertainment, Inc. (NASDAQ: RLJE) marks the third time Johnson has successfully taken a company public.

In 1991, Johnson took BET public making the network the first African American company to be traded on the New York Stock Exchange. RLJ Lodging Trust (NASDAQ: RLJ), a \$2 billion market cap hotel real estate investment trust (REIT), went public in 2011. In April 2017, RLJ Lodging Trust entered into a definitive agreement with FelCor Lodging Trust that will make the company the 3rd largest REIT with a \$7B market cap value.

In 2001, Johnson sold BET to Viacom for approximately \$3 billion and remained the Chief Executive Officer through 2006. In July 2007, Johnson was named by USA Today as one of “The 25 Most Influential Business Leaders of the Past 25 Years.”

In 2014, three of Johnson’s holding companies were featured on the Black Enterprise 100s list: RML Automotive, LLC ranked 1st in a category of 60 in the auto dealership rankings; RLJ Equity Partners, LLC and RLJ Credit Management, LLC ranked 12th and 14th respectively on the private equity firms list.

Currently, Mr. Johnson serves on the following boards: RLJ Lodging Trust; RLJ Entertainment, Inc.; RML Automotive; KB Home; Lowe’s Companies, Inc.; Retirement Clearinghouse; Elevate Credit, Inc.; The Business Council; and Smithsonian Institution’s National Museum of African American History and Culture.

Mr. Johnson holds a master’s degree in public affairs from the Woodrow Wilson School of Public and International Affairs at Princeton University and a Bachelor of Arts degree in social studies from the University of Illinois.



Charles Oppenheim

*CHIEF, VISA CONTROLS OFFICE,
U.S. DEPARTMENT OF STATE*

Charles Oppenheim has been employed by the Department of State since 1978. He has worked as a consular officer in the Bureau of Consular Affairs since 1979 and in 1999 became Chief of the Immigration Visa Control and Reporting Division. Mr. Oppenheim’s main responsibility is the administration of a complex series of annual numerical limitations on immigrants subdivided by preference category and country. The Visa Controls and Reporting Division Office issues a monthly bulletin, which summarizes availability of visas for the coming month and other visa related information.

CONTINUED ON PAGE 20



Manual A. Mencia

*SENIOR VICE PRESIDENT, INTERNATIONAL
TRADE AND BUSINESS DEVELOPMENT*

Manuel (Manny) A. Mencia is the senior vice president of the International Trade & Business Development division of Enterprise Florida, Inc., (EFI). The division is headquartered in Miami and main-

tains offices in six Florida cities as well as several countries around the world.

Manny joined Enterprise Florida in 1996. Prior to that, he served as vice president of World Marketing at The Beacon Council between 1992 and 1996. He has acquired extensive international trade expertise, having served in various executive positions at the Florida Department of Commerce between 1977 and 1991.

In 2009, EFI received the President's E Star Award for Export Promotion Excellence, our nation's highest trade development honor. In 2000, Export Magazine and the Council for Urban Economic Development (CUED) conferred their Gold Award to EFI's division of Trade Development, as the best statewide export development organization in the country.



Francis Suarez

*COMMISSIONER, DISTRICT
4, CITY OF MIAMI*

Francis X. Suarez serves the City of Miami as Commissioner for District 4, working diligently to raise the standards of the community where he was

born and raised. He currently also serves as Vice-Chair of the Miami-Dade Transportation Planning Organization, tasked with approving federally required plans and transportation policies, and as President of the Miami-Dade County League of Cities.

The oldest of four siblings, Commissioner Suarez was born into a family where, as he describes, "being socially conscious was a kind of requirement." Commissioner Suarez is dedicated to elevating the quality of life of the residents he serves by way of focusing on transportation and connectivity issues within the city and beyond, nurturing the growth of a tech-based economy in the area and, by extension, job creation and international opportunities with Latin America. His priorities also include affordable housing, tackling the poverty pandemic and, as a corollary, reducing crime.

Commissioner Suarez graduated from Florida International University where he majored in finance and graduated in the top ten percent of his class. He went on to law school at the University of Florida Frederic G. Levin College of Law, graduating cum laude. Prior to running for public office, Commissioner Suarez founded a successful real estate firm. He is also a practicing attorney with the law firm of GrayRobinson, specializing in real-estate and corporate transactions.

Commissioner Suarez is married to Gloria M. Fonts. They have one child – Andrew Xavier – and consider themselves proud and blessed to be raising their family in the City of Miami.

Manny currently serves as president of State International Development Organizations (SIDO), the national organization of state trade development agencies. He also serves on the board of the Florida Export Finance Corporation, World Trade Center-Miami, Florida Trade Partners Alliance, and the Florida District Export Council. Manny obtained a Bachelor of Science degree from Florida International University in Education and a Bachelor of Arts degree from St. Thomas University in Political Science.

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Contact Info:

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jay.mehta@frrshares.com

Website: www.frrshares.com

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To find out how Signature Bank can serve you and your EB-5 financial needs, contact:

Robert J. Slopovsky
Group Director & Senior Vice President
RSlopovsky@SignatureNY.com
P: 646.495.4717

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1. Signature Bank is among the top 50 largest U.S. banks out of more than 6,000 nationwide. Source: SNL Financial as of June 30, 2016. 2. Capital and leverage ratios are significantly above FDIC regulations Ratios for Total Risk-based Capital, Tier I Risk-Based Capital & Tier I Leverage as of December 31, 2016. 3. Source: Kroll Bond Rating Agency's Bank Surveillance Report, A+ Deposit and Credit ratings issued October 30, 2015 and affirmed on October 20, 2016. 4. Source: Excellent Financial Security and Recommended Bank Designations from Weiss Ratings, Data as of September 30, 2016.



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SCHEDULE OF EVENTS



GLOBAL CONNECTIONS
LOCAL RESULTS

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **MONDAY OCTOBER 23, 2017** ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

IIUSA COMMITTEE MEETINGS LISTED BELOW ARE BY INVITE ONLY. IIUSA MEMBERS ARE ELIGIBLE TO SERVE ON COMMITTEES. EMAIL info@iiusa.org FOR MORE INFO.

TIME	RC BALLROOM FOYER	SALON 1-2	PLAZA BALLROOM 1	PLAZA BALLROOM 2	MUNROE	OSBORN	CABOT	PONCE DE LEON					
9AM	Registration 9:00AM - 7:00PM	EXHIBITOR SET-UP 10:00AM - 12:00PM	WELCOME LUNCH: Year in Review 12:00PM - 1:00PM										
10AM									PUBLIC RELATIONS COMMITTEE 10:00AM - 11:00AM	EDITORIAL COMMITTEE 10:00AM - 11:00AM	MEMBERSHIP COMMITTEE 10:00AM - 11:00AM	BEST PRACTICES COMMITTEE 10:00AM - 11:00AM	
11AM									INVESTOR MARKETS COMMITTEE 11:00AM - 12:00PM	BANKING COMMITTEE 11:00AM - 12:00PM	COMPLIANCE COMMITTEE 11:00AM - 12:00PM	PUBLIC POLICY COMMITTEE 11:00AM - 12:00PM	
12PM		EXHIBIT HALL 12:00PM - 7:00PM								Breakout Session EB-5 MARKETING: WHAT YOU NEED TO KNOW TO FIND INVESTORS FROM... 1:00PM - 1:50PM	Breakout Session EB-5 MARKETING: OPTIMIZING PROJECT STRUCTURE TO FIND INVESTORS FROM... 1:00PM - 1:50PM		
1PM													
2PM												Breakout Session EB-5 IN CHINA: LATEST ISSUES WITH SOURCE OF FUNDS & CAPITAL CONTROLS 1:50PM - 2:40PM	Breakout Session EB-5 IN CHINA: WHAT'S SELLING & WHY 1:50PM - 2:40PM
												Break & Networking 2:40PM - 3:10PM	
3PM		EXHIBIT HALL 12:00PM - 7:00PM								Breakout Session RFE TRENDS: WHAT IS USCIS FOCUSED ON IN EB-5 INVESTOR & PROJECT APPLICATIONS 3:10PM - 4:00PM	Breakout Session EB-5 DUE DILIGENCE: A GROWING LIST OF MATERIAL CONSIDERATIONS ANY REASONABLE INVESTOR WOULD WANT TO KNOW 3:10PM - 4:00PM		
4PM										Breakout Session REGIONAL CENTER BEST PRACTICES: WHAT ARE INDUSTRY STANDARDS FOR KEY EB-5 ISSUES & WHY? 4:00PM - 4:50PM	Breakout Session FROM JAIL TIME TO SEC ACTIONS, MANDAMUS TO CIVIL PROCEEDINGS (AND EVERYTHING IN BETWEEN): EB-5'S GROWING FOOTPRINT IN THE U.S. COURT SYSTEM 4:00PM - 4:50PM		
5PM		WELCOME RECEPTION Hosted by IIUSA 5:00PM - 7:00PM											
6PM													
7PM													

Saul Ewing Arnstein & Lehr LLP's EB-5 Law Group

An Inter-disciplinary Team of Professionals

We offer the following EB-5 project legal services:

A man in a suit holding a tablet with a city skyline in the background.

**REAL
ESTATE**

A group of people in business attire sitting around a table, looking at documents.

**FINANCING /
LOAN COMPLIANCE**

Silhouettes of people walking through a modern building with large glass windows.

IMMIGRATION

Silhouettes of people standing in front of a world map.

**CORPORATE
SECURITIES**

A modern skyscraper with a glass facade.

**SEC
ENFORCEMENT**

A close-up of various international banknotes, including US dollars, Euros, and Chinese Yuan.

**PRE-IMMIGRATION
TAX PLANNING**

In addition to the project services above, our inter-disciplinary team of professionals maintains expertise in the following EB-5 markets:

INDIA

LATIN AMERICA

CHINA

Our EB-5 team of attorneys includes:

Roger A. Bernstein, Ronald R. Fieldstone, Cynthia Gomez, Rohit Kapuria, Amy Link, Julian F. Montero, Jay M. Rosen, and Qian Wen

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To learn more about our EB-5 Law Group, please visit www.saul.com.



SCHEDULE OF EVENTS



GLOBAL CONNECTIONS
LOCAL RESULTS

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **TUESDAY OCTOBER 24, 2017** ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

TIME	RC BALLROOM FOYER	SALON 1-2	PONCE DE LEON
7AM			LEADERSHIP BREAKFAST *By Invite Only 7:00AM - 9:00AM
8AM		BREAKFAST SERVED at Ballroom Patio and Exhibit Hall 8:00AM - 9:00AM	
9AM	EXHIBIT HALL 9:00AM - 12:00PM	<i>GUEST OF HONOR: MAYOR TOMAS REGALDO, CITY OF MIAMI</i> EB-5: ECONOMIC DEVELOPMENT TOOL OF THE 21ST CENTURY 9:00AM - 9:30AM	
		<i>General Session: EB-5 IN MIAMI:</i> CASE STUDY IN PUBLIC PRIVATE PARTNERSHIP (P3) 9:30AM - 10:20AM	
10AM		<i>General Session:</i> HOW EB-5 FITS INTO THE POLITICAL PUZZLE OF THE 115TH CONGRESS 10:20AM - 11:10AM	
11AM		<i>General Session: SPEAK NOW OR FOREVER HOLD YOUR PEACE:</i> ENSURING YOUR VOICE IS HEARD LOUD & CLEAR BY CONGRESS 11:10AM - 12:00PM	
12PM		BREAK & NETWORKING & LUNCH SERVED At Ballroom Patio 12:00PM - 1:30PM	
1PM		<i>General Session: PAY ATTENTION:</i> IIUSA HAS GOT YOUR BACK... LET US TELL YOU HOW 1:30PM - 2:00PM	
2PM	REGISTRATION 9:00AM - 7:00PM	<i>GUEST OF HONOR: A CONVERSATION WITH ROBERT JOHNSON</i> A CAREER OF GLOBAL CONNECTIONS & LOCAL RESULTS 2:00PM - 2:50PM	
		BREAK & NETWORKING 2:50PM - 3:20PM	
3PM		<i>General Session: EB-5 COMPLIANCE:</i> ARE YOU READY FOR PROJECT SITE VISIT, REGIONAL CENTER AUDITS & INVESTOR INTERVIEWS? 3:20PM - 4:10PM	
4PM	EXHIBIT HALL 3:20PM - 5:30PM	<i>General Session: PREPARED FOR THE LONG HAUL:</i> UNDERSTANDING THE VISA BACKLOG TODAY AND PLANNING AHEAD 4:10PM - 5:00PM	
5PM		AWARD CEREMONY 5:00PM - 5:30PM	
6PM		RECEPTION OCEAN VIEW LAWN <i>Hosted by American Lending Center and Kurzban Kurzban Weinger Tezteli Pratt, P.A</i> 5:30PM - 7:30PM	



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WEDNESDAY OCTOBER 25, 2017



TIME	RC BALLROOM FOYER	SALON 1-2	PONCE DE LEON
7AM		BREAKFAST SERVED AT BALLROOM PATIO 7:00AM - 8:00AM	INTERNATIONAL PARTNERS BREAKFAST <i>*By Invite Only</i> 7:00AM - 8:00AM
8AM	REGISTRATION 8:00AM - 11:40AM	EXHIBIT HALL 8:00AM - 9:40AM	
		General Session: SUSTAINMENT OF INVESTMENT: INVESTOR RISKS & POTENTIAL MARKET-BASED SOLUTIONS TO THE CAPITAL REDEPLOYMENT CONUNDRUM 8:00AM - 8:50AM	
		General Session: REGIONAL CENTER TRENDS IN 2017: TERMINATIONS MORE POPULAR THAN APPROVALS (AND EVERYTHING ELSE YOU NEED TO KNOW) 8:50AM - 9:40AM	
9AM		BREAK & NETWORKING 9:40AM - 10:00AM	
10AM	EXHIBIT HALL 10:00AM - 11:40AM	General Session: EB-5 IN CHINA OPPORTUNITIES & UNPRECEDENTED CHALLENGES 10:00AM - 10:50AM	
		General Session: FUTURE OF EB-5: WHERE WILL THE INDUSTRY BE IN 2020 & BEYOND? 10:50AM - 11:40AM	
11AM		CLOSING REMARKS 11:40AM - 12:00PM	
12PM			IIUSA BOARD MEETING <i>*By Invite Only</i> 12:00PM - 2:00PM
1PM			

SAVE THE DATE APRIL 22-25, 2018

★ **2018** **EB-5**
★ **Advocacy**
★ **Conference**

Invest in the USA (IIUSA) cordially invites you to join us in our nation's capital from April 22-25, 2018 for the 11th Annual EB-5 Advocacy Conference.

IIUSA is proud to host this conference at the vibrant Marriott Marquis, completed in May of 2014 with the help of EB-5 investment. The largest hotel in Washington D.C. the Marquis will be the setting for the industry's cornerstone event combining the right balance of grassroots advocacy, advanced education, and business development opportunities.

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We are Florida Overseas Investment Center—the EB-5 Regional Center who consistently gives back. We are proud to announce an important milestone in our success as a trusted Regional Center: *The return of investor capital to all qualified clients.*

We also give back to the nation's education system through the foreign investment activities powering the renowned charter school program we've created with our investment affiliate, GreenAccess. Among industry peers and an international clientele pursuing their American dream in the United States, we are the clear choice for highly professional, ethically sound, security-backed EB-5 projects. Florida Overseas is well known and highly regarded for:

- A conservative, secured loan-based approach to investments, as well as rigorous project selection and eligibility criteria
- Over 600 I-526 approvals
- Successfully approved I-829 petitions
- A preference for projects that will enhance American values and improve our quality of life—including funding 35 excellent Charter Schools throughout the State of Florida

These are just some of the reasons why astute international investors and their advisors frequently ask, *Why look elsewhere?*



INVESTMENT CENTER



PANEL DESCRIPTIONS



★ ★ ★ ★ ★ ★ ★ ★ ★ ★ MONDAY OCTOBER 23, 2017 ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

1:00PM - 1:50PM

BREAKOUT SESSION #1A

EB-5 Marketing: What You Need to Know to Find Investors From....

Whether you are a veteran to EB-5 or just starting to market your first project, there is so much to know and take into consideration when you are preparing to take your project to market and when you are overseas, particularly in new investor markets outside of China. This panel will explore markets outside of China and resources to use to make inroads in the less established EB-5 markets to help you diversify your potential investor outreach.

BREAKOUT SESSION #1B

EB-5 Marketing: Optimizing Project Structure to Find Investors From...

We know that diversifying your investor base to markets outside of China is something all Regional Centers should consider in today's market, but what makes a project most marketable in these other countries? Explore considerations that will make you more competitive in emerging markets, including the most attractive projects structures and industries for these new-wave investors.

1:50PM - 2:40PM

BREAKOUT SESSION #2A

EB-5 in China: Latest Issues with Source of Funds & Capital Controls

Source of funds and capital controls are both key topics of discussion for the industry and this panel will highlight some of the emerging capital control measures taken by the Chinese government over the past year and discuss some of the concerns surrounding source of funds from China as they may compare to other investor markets.

BREAKOUT SESSION #2B

EB-5 in China: What's Selling and Why?

With EB-5 visa usage from Chinese investors down in recent years, Regional Centers need to re-evaluate what makes a project competitive and attractive in China. This panel will take a look at what types of projects are successfully funding (and why) with Chinese investors, despite strained demand and an increasingly long wait time for visas.

3:10PM - 4:00PM

BREAKOUT SESSION #3A

RFE Trends: What is USCIS Focused on in EB-5 Investor & Project Adjudications

Industry intel says that requests for evidence (RFE) for EB-5 petitions and applications have increased dramatically recently. This panel will look at the reasons for these RFEs, what information USCIS is requesting and analyze what this means for the way USCIS is adjudicating EB-5 petitions and applications in order to help your project or client complete the most comprehensive petition/application.

BREAKOUT SESSION #3B

EB-5 Project Due Diligence: A Growing List of Material Considerations Any Reasonable Investor Would Want to Know

Conducting thorough due diligence before any investment is a must, but what does that involve? Look at different areas of EB-5 investments and what kind of due diligence (and resource to do so) should be performed by investors and their representatives, including redeployment, business financials, background checks on individuals and businesses, and the immigration process and viability.

4:00PM - 4:50PM

BREAKOUT SESSION #4A

Regional Center Best Practices: What are Industry Standards for Key EB-5 Issues & Why?

Take a look at some of EB-5's top issues and the recommended best practices for addressing them. Upholding uniform standards across the industry ensures we are all operating at the highest level of professional conduct that establishes and preserves the reputation of you, your business and your success in addition to the industry as a whole.

BREAKOUT SESSION #4B

From Jail Time to SEC Actions, Mandamus to Civil Proceedings (and everything in between): EB-5's Growing Footprint in the U.S. Court System

Over the past several years, cases of EB-5 litigation have increased as activity in the industry has increased. The existence of these court cases means the system is working - law enforcement is taking notice of fraud and abuse and prosecuting the offenders. While this is a good thing for the industry, as it helps to weed out the bad actors, it is important to understand how these cases are influencing policy discussions around reform and long-term reauthorization of the EB-5 Regional Center Program and what it means for the future of the Program.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ TUESDAY OCTOBER 24, 2017 ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

9:00AM - 9:30AM

GUEST OF HONOR PRESENTATION

EB-5: Economic Development Tool of the 21st Century

Mayor of the City of Miami, Tomás Regalado

9:30AM - 10:20AM

GENERAL SESSION #1

EB-5 in Miami: Case Studies in Public Private Partnership (P3)

Join local economic development professional and city government officials to learn about how the EB-5 Program has positively impacted Miami and to discuss how public-private partnerships (P3) can best be utilized to maximize the impact of the EB-5 Program for local communities.

10:20AM - 11:10AM

GENERAL SESSION #2

How EB-5 Fits into the Political & Policy Puzzle of the 115th Congress

Fresh off another short-term extension, the EB-5 industry is preparing for another sunset date in early December. This panel will provide updates on the state of affairs in Washington, DC as it relates the EB-5 Program as well as provide insight on the possibility of a long-term reauthorization and how it fits into the larger context of immigration policy. This includes policy issue areas (and possible solutions) and analysis of EB-5-related legislation. They will also address any necessary updates on the proposed EB-5 regulatory changes published in the Federal Register earlier this year.

CONTINUED ON PAGE 31



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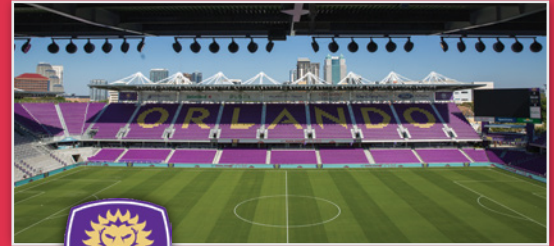
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CONTINUED FROM PAGE 29

11:10AM - 12:00PM

GENERAL SESSION #3

Speak Now or Forever Hold Your Peace: Ensuring Your Voice is Heard Loud & Clear by Congress

IIUSA is hard at work as your EB-5 Industry trade association promoting the important economic development being carried out across the country everyday all thanks to EB-5. With that in mind, we have designed this in interactive session to highlight all of the IIUSA EB-5 advocacy resources at your disposal. We hope you will join us for this session and utilize all available resources to add your voice in support of the EB-5 Regional Center Program.

1:30PM - 2:00PM

SPECIAL SESSION

Pay Attention! IIUSA Has Got Your Back...Let Us Tell You How

IIUSA is constantly working to provide the most helpful resources, influential platforms and strategic partnerships to improve your businesses. This special session will introduce IIUSA's new Code of Conduct, recently adopted by the Board in August, and discuss its purpose to raise industry standards for integrity and professional business practices. We will also hear from IIUSA's Public Relations Committee and their current initiative to improve public perception of the Program and share the real stories of impact behind EB-5.

5:00PM-5:30PM

AWARDS CEREMONY

Honoring Member Regional Centers who were successful in bringing EB-5 projects "full circle" – that is those with clients' I-829 petitions approved by U.S. Citizenship and Immigration Services ("USCIS") in Fiscal Year 2017.

Lifetime Achievement Award: *K. David Andersson, President Emeritus, IIUSA; President WORC*

2:00PM - 2:50PM

GUEST OF HONOR PRESENTATION

A Career of Global Connections & Local Results:

A Conversation with Robert Johnson

3:20PM - 4:10PM

GENERAL SESSION #4

EB-5 Compliance: Are You Ready for Project Site Visits, Regional Center Audits and Investor Interviews?

In 2015, the Immigrant Investor Program Office (IPO) announced it would soon begin implementing Site Visits and Compliance Audits in an effort to improve Program oversight and deter fraud and abuse of the Program. This panel will discuss what the USCIS Site Visits and Compliance Audits are and assess what we have learned from Site Visits that have occurred thus far. It will also discuss what to possibly expect with Compliance Audits once their implementation begins and I-829 interviews for immigrant investors. Panelists will discuss how to prepare your Regional Centers, investors and project sites for all three programs.

4:10PM - 5:00PM

GUEST OF HONOR PRESENTATION

Prepared for the Long Haul: Understanding the Visa Backlog Today & Planning Ahead

Charles Oppenheim, Chief, Visa Controls Office, U.S. Department of State

I-829 Award Recipients:

- I-829 Award Recipients:**
- *American Dream Fund*
 - *American Life Investments, LLC*
 - *American Lending Center*
 - *BirchLEAF Capital*
 - *CanAm Enterprises, LLC*
 - *Civitas Capital Group*
 - *Cleveland International Fund*
 - *CMB Regional Centers*
 - *EB5 Capital*
 - *EB-5 New York State Regional Center*
 - *Houston EB-5 Regional Center*
 - *New York City Regional Center*
 - *Maryland Center for Foreign Investment, LLC*
 - *Metropolitan Milwaukee Association of Commerce*
 - *Florida Overseas Investment Center*

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ **WEDNESDAY OCTOBER 25, 2017** ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

8:00AM - 8:50AM

GENERAL SESSION #5

Sustainment of Investment: Investor Risks & Potential Market-Based Solutions to the Capital Redeployment Conundrum

As the adjudication and visa backlogs have continued to climb, the issue of redeployment and sustainment of EB-5 investments has become an increasingly hot topic in the industry. This panel will discuss interpretations of the USCIS update to its EB-5 Policy Manual in June 2017 regarding redeployment and sustainment of investment, what it means for the industry and the questions that are left unanswered by this update.

8:50AM - 9:40AM

GENERAL SESSION #6

Regional Center Trends in 2017: Terminations More Popular Than Approvals (and Everything Else You Need to Know)

So far in 2017, USCIS has terminated 70+ Regional Centers, accounting for half of all Regional Center terminations since they began issuing them in 2008. USCIS has also terminated more Regional Centers this year than approved. What does this trend tell us & how to ensure your Regional Center & projects are fulfilling their obligation for investment & economic stimulation? This panel will also look at examples of failed projects (what went wrong & why) to help avoid similar failure.

10:00AM - 10:50AM

GENERAL SESSION #7

EB-5 in China: New Challenges & Opportunities

Adjudication delays, visa backlogs and continued uncertainty for the Program has led to a more strained market in China than we have ever seen before. There are, however, still investors who want to immigrate using EB-5. With new challenges come new opportunities. Delve into the evolving China market and how adapting brings about new avenues for success.

10:50AM - 11:40AM

GENERAL SESSION #8

Future of EB-5: Where will the Industry be in 2020 & Beyond?

Let's take a look into our crystal ball. Although we don't have one, we can consider what the industry and its impact will be in the near and distant future. As the Program adjusts to potential legislative or regulatory reform, investor market diversification and an ever-increasing broadening of stakeholders, what does this mean for the future of EB-5?



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SCAN TO SAVE

Government Affairs Timeline

June - October 2017

6/29 – CIS Ombudsman Office submits its annual report to Congress, highlighting many efforts to improve the EB-5 Program. It also publishes for the first time an estimated waiting time for Mainland Chinese immigrants of over 10 years

7/3 – U.S. Senators John Cornyn (R-TX), Dean Heller (R-NV), Thom Tillis (R-NC), and Rand Paul (R-KY) pen letter to the Department of Homeland Security urging to not move forward with EB-5 regulations that would jeopardize jobs in communities across America

7/9 – USCIS posts update to EB-5 page that it is reviewing inquiries into the previously posted (and removed) I-526 and I-829 data by Regional Center. IIUSA sent a letter to USCIS requesting the data be removed and verified before reposting

7/11 – Department of State's August Visa Bulletin shows a one week advance for Final Action Date to June 8, 2014 for Mainland China-born applicants

7/12 – IIUSA's interactive TEA policy mapping tool reaches over 1,000 views

7/13 – IPO hosts a Stakeholder Engagement to gather feedback on potential regulatory and policy changes to the Program

7/19 – USCIS hosts an Employment Visa Engagement in San Jose, including reports from IPO Deputy Chief Julia Harrison and Visa Control Office Chief Charles Oppenheim, IPO Senior Advisor Jan Lyons and representatives from FDNS. The engagement addressed processing times, visa capacity, EB-5 petition/application tips and site visits and compliance audits

7/26 – IPO adds new pages to its EB-5 resources page included suggested order of documentation for EB-5 forms

7/27 – IIUSA Leadership meets in San Francisco to discuss paths forward for the EB-5 Regional Center Program and industry at large

7/28 – IIUSA Executive Director Peter D. Joseph speaks on a panel at the EB-5 Investors Magazine conference in San Francisco, CA titled, "the Future of EB-5: Legislative Reform vs. Regulations, TEA Changes, Investment Amounts, and Chinese Backlog". Other panelists included Board member Angel Brunner of EB5 Capital and member Bruce Thompson of American Lending Center

8/1 – IIUSA publishes new report on average EB-5 petition processing times for IPO through May 31, 2017. I-829s processing times were 30.3 months; I-526s at 19.7 months; and I-924s at 19.6 months

8/7 – IIUSA launches its new customized advocacy page for EB-5 stakeholders to contact Congress. The EB-5 Champions page allows stakeholders to quickly and easy send a pre-drafted letter to elected officials to advocate for reauthorization and support of the Program

8/7 – September Visa Bulletin shows the Final Action Date for Mainland-China born applicants remains unchanged from August

8/12 – IIUSA announces it will hold its next Global Banquet Series event in Mumbai, India on October 3

8/15 – IIUSA publishes new report on average EB-5 petition processing times for IPO through June 30, 2017. I-829s processing times were 29.9 months; I-526s at 19.5 months; and I-924s at 18.4 months

8/24 – USCIS hosts a Stakeholder Webinar on guidance for submitting the new form annual I-924A, published in December 2016. All active Regional Centers must submit an I-924A for fiscal year 2017 by December 29, 2017

8/28 – USCIS announces starting October 1, 2017 it will expand in-person interviews for certain immigration benefit applicants. This would affect EB-5 petitioners who are applying for an adjustment of status to an EB-5 visa

9/5 – Congress returns to D.C. after August recess

9/7 – IIUSA releases statement on proposed Stopgap Continuing Resolution ("CR") that would extend government funding and the EB-5 Program through December 8, 2017

9/8 - President Trump signs HR 601 into law, a continuing resolution (CR) that provides federal government funding and extends the EB-5 Regional Center Program until December 8th

10/3 – IIUSA hosts a Global Banquet Series even in Mumbai, India

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IIUSA New Code of Conduct – Our Commitment to Integrity



IIUSA COMPLIANCE COMMITTEE

IIUSA and its members are committed to integrity and high standards of business conduct. Our organization has made ethics a primary focus because adhering to shared ethical standards is the foundation of our ability to do business and to gain the trust of our industry's stakeholders. The reputation of our organization and each of its members is built by many people over many years, and depends upon upholding our shared values in the way we individually and collectively conduct business every day. Even the best culture should be examined and reinforced, which is why IIUSA is proud to announce that on August 23, 2017, its Board of Directors approved the new IIUSA Code of Conduct.

The Code of Conduct is a succinct and impactful expression of our member's commitment to conduct EB-5 business with high ethical standards and to help unite efforts and lead the charge for all EB-5 market partici-

pants to join us in our commitment.

Last year, IIUSA's Compliance Committee undertook an analysis of the effectiveness of the IIUSA's Code of Ethics and Standards of Professional Conduct, originally adopted in 2014. This analysis resulted in the recommendation that the original code be revised to: (1) ensure that the principals of our code apply to all IIUSA members; (2) ensure that considerations specific to the EB-5 industry are included in our code; (3) provide a general framework from which a multitude of ethical dilemmas could be assessed; and (4) be condensed to provide a clear and concise set of core values that all of our members share. The Compliance Committee, chaired by Mariza McKee and Kurt Reuss, commissioned a breakout subcommittee, the Code of Conduct Subcommittee (the "Code Subcommittee"), chaired by Mariza McKee and made up of members of both the Compliance Committee and the Best Practices Committee to implement these objectives.

Beginning in February, the Code Subcommittee collaborated bi-weekly on telephone conferences over the course of five months to research and analyze codes of conduct. The Code Subcommittee also conducted interviews of IIUSA members to identify the most common ethical issues that arise in EB-5 transactions and to discuss how to analyze them from an ethical perspective. The prima-

ry themes that arose from these discussions were: (1) EB-5 sponsors and service providers should put first the interests of EB-5 investors; (2) conflicts of interest and lack of transparency are problematic and detrimental to the EB-5 industry as a whole; and (3) the integrity of the EB-5 market is at risk from misleading marketing and failure by some to comply with existing laws and regulations.

From these collaborative discussions, based largely on the information gathered from our member interviews, the Code Subcommittee derived a set of core values to be reflected in our new Code of Conduct as expressions of our shared commitment to be: **guardians, professionals, reliable, champions, and committed** in all of our EB-5 business endeavors. Our organization includes some of the best and most talented EB-5 professionals in the EB-5 community and our continuous commitment to develop an organizational culture that sets the standard for ethical EB-5 business is an integral part of our shared work. We urge all of you to read the new Code of Conduct and to direct any questions to our Compliance Committee. ■



IIUSA CODE OF CONDUCT

ADOPTED 08/23/2017

This Code of Conduct (our "Code") is our commitment to conduct EB-5 business with high ethical standards. Our commitment goes beyond technical Code interpretation. Where unspecified, our Code's virtuous spirit prevails. IIUSA members and everyone working on IIUSA's behalf, including its board of directors, officers, committee members, and employees are bound by our Code. When working with non-members, you should provide our Code and ask that they abide. Our Code is no substitute for sound judgment. When in doubt, ask: (1) Is this consistent with our Code? (2) Would I take responsibility? (3) Is this good for our EB-5 community? Be integrity's voice. Hold each other accountable.

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- 1. GUARDIANS.** Protect EB-5 investors and their families from fraud, misrepresentation, and unethical practices in EB-5 transactions. Do not misstate or omit material information.
- 2. PROFESSIONAL.** Be informed and stay educated to comply with laws and regulations that govern your EB-5 endeavors.
- 3. RELIABLE.** Be honest, fair, and transparent in EB-5 endeavors. Avoid conflicts of interest and disclose all actual and potential conflicts in writing.
- 4. CHAMPIONS.** Further the EB-5 Program's stated objective - stimulating the U.S. economy through job creation and capital investment. Strengthen the EB-5 Program's reputation by adhering to our Code.
- 5. COMMITTED.** Foster ethical culture in the EB-5 industry. Analyze our Code and apply it. Promptly report Code compliance concerns. Cooperate fully in Code compliance investigations.



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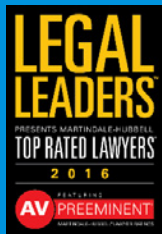
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A New Administration Shows Changes in EB-5 Policy Interpretation: IIUSA Public Policy Committee Responds



NICOLE MERLENE

ASSOCIATE DIRECTOR OF PUBLIC POLICY, IIUSA

2017 has been a busy year for EB-5 in Washington D.C., and IIUSA's diverse deliberative body, the Public Policy Committee (the "PPC"), has been hard at work. Below is a summary of the committee's work this past year:

COMMENT ON CAPITAL REDEPLOYMENT POLICY

In June, the U.S. Citizenship and Immigration Services ("USCIS") released an update to its Policy Manual (the "Manual") in Volume 6, Part G in relation to "Job Creation and Capital At Risk Requirements for Investors". As we learned recently from the Citizenship & Immigration Services (CIS) Ombudsman report to Congress, mainland Chinese investors are navigating through the EB-5 process for an estimated 10 years. It is unclear if an investor's investment is required to remain "at risk" both after the requisite two years passes and if the requisite job creation requirements are met. In the case of a potential capital liquidation event, having investments roll into multiple projects



ADAM GREENE

PRESIDENT, LIVE IN AMERICA FINANCIAL SERVICES, IIUSA PUBLIC POLICY COMMITTEE CHAIR AND BOARD MEMBER

that, in some cases, are not specifically contemplated at the time of the initial investment had left a door wide open for unnecessary risk.

The Manual updates that had the greatest impact on policy changes were statements that "capital is properly at risk if it is used in a manner related to engagement in commerce (in other words, the exchange of goods or services) consistent with the scope of the new commercial enterprise's ongoing business." Additionally, "The new commercial enterprise may also further deploy the repaid capital into certain new issue municipal bonds, such as for infrastructure spending, as long as investments into such bonds are within the scope of the new commercial enterprise."

IIUSA believes that USCIS lacks authority to make Program policy changes via revision of a policy memo, and these changes must result from legislation, regulations, or precedent court decisions. Nonetheless, the PPC responded to address policy interpretations and to recommend changes to avoid any ambigu-

ities or unintended consequences.

One major issue that was addressed in the Manual change was whether or not invested capital was mandated to remain at risk after the period of conditional residency. IIUSA questioned the premise that the investment would need to remain at risk after job creation requirements were met. If still required to be at risk, IIUSA argued that, if USCIS considers municipal bond positions to be an investment that is "at risk", it follows that even bank accounts and U.S. Treasury obligations are at risk because they provide opportunity for gain and risk of loss. Other investments that should qualify as "at risk" include investments in real estate investment trusts, or money market accounts, which were shown to carry significant risk during the 2008 financial crisis.

Most importantly, USCIS should consider the real-life hurdles that come with compliance of the new policy. Practically, it is impossible to redeploy immediately as NCE managers seek the appropriate investment vehicle for redeployment, and there should be flexibility for a timeframe that is considered within reason. Regional Centers should also be allowed to make amendments to their private placement memorandums ("PPMs") to comply with updated Manual requirements without the amendment being considered a material change, which would put all current EB-5 investors at risk.

LETTER TO USCIS ON VARIOUS ISSUES FACING THE INDUSTRY

Since the Manual update, and since the turnover to the Trump administration, EB-5 stakeholders have seen drastic changes in petition



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A NEW ADMINISTRATION SHOWS CHANGES IN EB-5 POLICY INTERPRETATION: IIUSA PUBLIC POLICY COMMITTEE RESPONDS

adjudications and the way that the Investor Program Office (“IPO”) handles agency policy changes.

In the past few years, there has been an unsettling disconnect between the EB-5 industry and IPO. To bring us back to a place where we can have any substantive conversations with IPO, we suggest the implementation of something akin to a Federal Advisory Committee, similar to what many other government agencies already have in place.

The Public Policy Committee is preparing a comprehensive letter to USCIS, other administration officials and Congress to highlight EB-5 Program issues and to ask for a cooperative approach in addressing them. It is expected that this letter will be delivered to the aforementioned entities by the time of publishing of this article. Some issues existed before the installation of new USCIS personnel, but are still worth reiterating:

- First and foremost, long adjudication times and the massive backlog that we have seen for those coming from Mainland China have caused a huge fall in demand that has potential to harm the U.S. economy.
- Second, unclear guidance on redeployment, discussed above, can cause severe disruption for many investors.
- Third, a continued concern about IPO publishing Regional Center form I-526 and I-829 statistics: Not only was much of the data incorrect, but there was no effort to confirm any of the data with Regional Centers before publishing. A lack of due diligence was flagrant and deserves to be acknowledged as a misstep.

New issues that have been cause for requests for evidence (“RFEs”) or notices of intent to deny (“NOIDs”) have also appeared with greater frequency. These include:

BRIDGE FINANCING

IIUSA members have seen RFEs and NOIDs questioning the use of EB-5 capital to replace bridge financing. USCIS holds that bridge financing must be contemplated before the commencement of a project and must have a maturity of less than one year. IIUSA refutes both of those premises. In the Manual, there is only requirement that bridge financing be short-term in

duration if EB-5 was not contemplated before the bridge financing. This implies that EB-5 may replace bridge financing if it is either (i) contemplated before the temporary financing, or (ii) used as a replacement for short-term financing.

USCIS’s interpretation that bridge financing must last less than a year is also misguided, as many financing players know, and precedents demonstrate that bridge financing may last longer than one year. Not only is USCIS’s interpretation misguided, but also likely impossible. With adjudication times averaging around 20 months, this is practically infeasible due to long wait times by the agency.

THIRD PARTY GUARANTEES

USCIS has issued NOIDs for projects that are structured with a guarantee made by a third-party entity affiliated with the project. USCIS has stated that a repayment guarantee of a loan provided solely to the NCE is a de facto guarantee to each investor that is prohibited by EB-5 Program rules. USCIS logic is flawed because there is no guarantee that exists which requires a repayment to any investor. Investors have no privacy, the guarantee arrangements are made strictly between two separate legal entities: the NCE and third -party guarantor entity. Each investor’s capital contribution remains fully at-risk for the duration of the project development and is subject to normal business risk. Further, if the loan is repaid, even if satisfied by the Guarantor, investors in the NCE may need to remain invested and have the NCE redeploy the capital and remain at risk.

SITE VISITS

Site visits have also caused a bit of confusion and concern for projects sites. USCIS site visits are unannounced, making it difficult for Regional Centers to properly prepare project sites for questions from USCIS interviewers asking employees of a project questions they would not be expected to know and who may have no knowledge of EB-5 at all. Some of these questions include where an individual investor’s funds have been put to use

in the project, or where indirect job creation is being made. At Stakeholder Engagements and other public appearances, IPO described site visits as “drive by” visits, with little to no interaction with those at the project site. This has not been the case based on feedback from members who have experienced Site Visits and IIUSA has requested more information to better inform those on the ground as to best practices for dealing with a site visit.

THIRD PARTY MARKET STUDIES AND PROJECT PRO FORMAS

An increase in RFEs and NOIDs has surfaced for adjudicator’s interpretations of third party market studies as well as project pro forma. Third party market studies are not required, but are allowed to be used to prove items such as financial projections. They are used as a verification of the information being presented. In some cases, adjudicators have asked for verification of these third party studies, essentially asking for verification of the verification evidence. There is little to no guidance from USCIS about what is required of these studies and deference should be provided to the findings of a professional third party specialist. On the issue of project pro forma, there is also little guidance as to what is required. Specific line items such as loan amortization schedules may have not been included, which USCIS claims could make the project infeasible and therefore a NOID could be issued. While we agree that as much data should be included as required in a comprehensive business plan, this should be explicitly written out for clarification to avoid any unnecessary RFEs or NOIDs.

CONCLUSION

As the tides continue to turn both at USCIS and on Capitol Hill, the IIUSA Public Policy Committee will continue its efforts to represent our members to the best of our ability in advocating for practices that will help promote the U.S. economy in an efficient and impactful manner. We are eager to hear of any other issues you have seen from USCIS recently. If you would like to get involved on this committee, email advocacy@iiusa.org. ■



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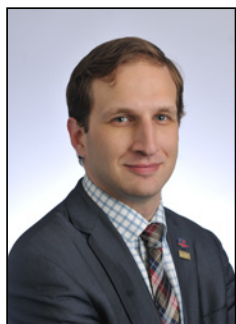
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GLOBAL CONNECTIONS. LOCAL RESULTS.



PETER D. JOSEPH
EXECUTIVE DIRECTOR, IIUSA

As the theme of IIUSA's 7th Annual Industry Forum suggests, the EB-5 Program can best be described by its two fundamental

– and intertwined – qualities: global connections and local results. EB-5's unique capacity to harness the world's resources as a means of strengthening our country's communities distinguishes the industry as one that has proven itself to be critical to economic development and job creation. Here in Miami, IIUSA is proud to award and recognize 16 member Regional Centers with I-829 approvals for doing just that. We will also honor those who have achieved yet another milestone: the return of capital to EB-5 investors from a successful project. Success stories like these demonstrate without a doubt that #EB5isWorking by delivering on its promise of regional economic development and job creation at no cost to the U.S. taxpayers as well as permanent residency and return of capital to investors, who will continue to contribute economically to the U.S. for decades to come.

From Cleveland to Culver City, Ft. Lauderdale to Philadelphia – and in countless communities in between – these IIUSA member Regional Centers are responsible for building cutting-edge medical centers that treat patients, towering office complexes that power economies, catalytic apartment developments that house residents, and transformational hotels

that accommodate guests. All of these projects – all of these delivered promises – serve as shining examples of the tremendously valuable local results made possible by low-cost, high-impact EB-5 development capital. And, as we approach the forthcoming deadline in Congress, all of these projects also demonstrate to lawmakers the need to swiftly reach a permanent legislative solution.

Equally as important as celebrating our local results, however, is challenging ourselves to strengthen our global connections – the other half of the EB-5 equation. Our ability to deliver for communities is directly dependent on our willingness to do so.

Here is where things currently stand: The sum of all 1992 – 2014 EB-5 foreign direct investment from Africa, the Asia Pacific region, Europe, Latin America, the Middle East, North America, and South/Central Asia combined still amounts to less than half of mainland China's during the same period. Just last year, China's job-creating investors accounted for 7,182 more EB-5 visas than the second-highest country. Each and every investor from the world over is vital, but these bird's eye perspectives serve as important reminders that we have more work to do in diversifying our outreach efforts. Local results rise and fall commensurately with our global connections. And so, just as our projects span all corners of the country, our investor markets must also span all parts of the world.

IIUSA is here to help you – the EB-5 Regional Center industry – succeed in building the global connections necessary to deliver local results to communities that are competing globally for

investment capital every day. Throughout this Special Edition of the Regional Center Business Journal (and throughout this year's Forum), you will learn about IIUSA's new initiatives and programming available to meet the industry's needs right now, such as: efforts to enhance business development opportunities in new and existing investors markets, policies that continue to raise the standards of professional conduct by EB-5 professionals, expanding educational offerings that support an informed industry and public, and more.

By embarking on that endeavor collectively as an industry throughout the course of the next year, I am confident that at next year's 8th Annual Industry Forum, the award recipient list will grow as you all continue to deliver local results thanks to your hard work building the global connections it takes to succeed in economic development in the 21st century. The growth of this list collectively represents billions of dollars of economic activity that support hundreds of thousands of jobs that would not have been possible without EB-5.

The EB-5 industry can overcome the unprecedented challenges we face (like visa backlog, containing collateral damage from failed projects, and legislative/regulatory uncertainty – to name a few) if we work together, stay focused, and act with a sense of urgency when new opportunities arise to get a legislative solution passed by Congress. Your support of IIUSA and leadership within the EB-5 Regional Center industry has never been more important. Thank you for all you do. ■

EB-5 SITE VISITS: Coming to a JCE Near You



CAROLYN LEE
PARTNER, MILLER MAYER, LLP

As announced in numerous USCIS stakeholder calls over the last two years, USCIS has begun site visits to supplement its EB-5 adjudications.

WHAT WE KNOW NOW

The below summarizes what we know so far:

- Site visits are at the **job creating entity** (JCE) site, not the regional center or new commercial enterprise site.
- Site visits are **unannounced**.
- Site visits appear to be in connection with **Form I-829 adjudication**, not I-924 or I-526 adjudication. Regional center compliance audits, on the other hand, may take place at any time.
- FDNS officer creates a **Compliance Review Report** after the inquiry, which becomes a part of the record.
- Site inspectors **verify information in the petition and existence of the**

business(es).

- Site inspectors **take photographs and interview personnel** at the site.
- Site visits are conducted by **Fraud Detection and National Security (FDNS)** directorate, not by Investor Program Office (IPO), itself.
- Site visits are part of a **larger USCIS verification program** aimed at sites employing religious workers, H-1B workers, and L-1 workers.

Based on recent experience, site inspectors appear to be familiar with the project record. Here are some sample questions asked in connection with a recent site visit:

- “How are EB-5 funds being put to use?”
- “How much EB-5 has been drawn and used by the company?”
- “How are jobs being created?”
- “How many workers are on site?”
- “What is the business of the company?”
- “How many employees does the company have?”
- “How many facilities are in the U.S.?”

It’s evident that the site inspectors are focused on job creation and actual employees. This can be a problem if the inquiry is not redirected toward the indirect jobs associated with the project. Note also that the inquiry extends to the JCE’s core business, not just the EB-5 project. So if the JCE’s headquarters is elsewhere as

it usually is, the same questions about employees may be asked of the JCE’s main business.

PROBLEMS WITH EB-5 SITE VISITS

USCIS site inspectors are accustomed to visiting named employers on a worker petition. The inspected business therefore knows or should know that it is on record with USCIS and that USCIS may conduct a site visit.

In the EB-5 context, however, the project site business or businesses may have no idea that any EB-5 capital was used, or even know what EB-5 is. Consider a large scale construction project involving an office tower and retail on the ground floor. USCIS site inspector arrives and begins questioning retail and office tenants with questions like the above. The tenants have no idea why they’re being asked these questions and would understandably be alarmed or at minimum, confused, about why they are being asked these questions. They would also not know whether they were required to answer the questions, and how best to answer if they even have knowledge enough to answer. Consider these questions being put to a cashier at a retail clothing store.

Other problems center around project site location. A greenfield project’s only “address” may be a census tract. If a site inspector is unsuccessful in finding the location, one imagines what Compliance Review Report might say: “Project site not found,” “Project site unverifiable,” or perhaps even “Project site nonexistent.”

A similar problem arises from the type of business. For example, a manufacturing plant is not a retail store and may not be set up to receive visitors. What if the entryways are shut for safety? How would a site inspector gain entry or make his presence known? Again, one imagines darkly what the Compliance Review Report might say on that: "Site doors shut," "Could not find entryway," or "No sign of commercial activity." In that instance, no one may know that the site inspector was even there so that someone can explain how the facility works.

While USCIS has assured stakeholders that regional centers should not be alarmed, we have seen issues already arising with inspectors questioning startled tenants, arriving at wrong addresses, and asking questions seemingly targeted toward finding direct employment which is an irrelevant measure of job creation in most regional center projects based on indirect job creation.

MEASURES TO PREPARE

Although the JCE site is often not entirely in the control of an arm's length regional center

or new commercial enterprise fund manager, there are steps that can be taken by all parties involved in raising and using EB-5 capital.

First, be sure to correctly **capture the JCE site address on the new I-526 petition form**. The new form asks in multiple places for addresses of various entities. Carefully complete the JCE address to conform with the actual site address.

Second, **inform all possible parties** including tenants, regional center, fund managers and anyone else involved in the EB-5 project that USCIS may be conducting a site visit. Prepare a simple fact sheet including the contact information of the person who should be contacted. Be sure to have this point of contact be an email box or phone line that is always regularly checked.

Third, **train your own employees** whoever you are – regional center, fund manager, JCE. If a government official comes knocking on the door, all personnel should have basic information on at least to whom such official or phone call or correspondence be directed within the organization. The point of contact

within the organization should be trained to either be familiar with all the projects, or know where to look for project information.

Fourth, be aware of **when Form I-829s have been filed** for investors. This is the likely time for site inspections. Know which projects have begun filing I-829 petitions for removal of conditions, particularly if there are multiple I-829s being filed at the same time for different projects.

Fifth, if you are the point of contact, have **detailed knowledge of the I-829 petition contents**. If there are any updates or factual discrepancies you believe may arise in the course of a site inspection, be prepared to discuss and explain.

Having experienced EB-5 counsel on hand should help protect the regional center project record and avoid prejudice to investor I-829 petitions. The EB-5 compliance point of contact should be equipped with counsel contact information in his or her "compliance fact sheet" along with other key resources on hand. ■

CONTRIBUTE TO THE NEXT REGIONAL CENTER BUSINESS JOURNAL

IIUSA's Editorial Committee, curator of the Regional Center Business Journal, is looking for new authors and article topics for its summer/fall edition. Contribute your expertise to the EB-5 industry's leading publication!

If you would like to be published by IIUSA on a topic which elevates the discussion among EB-5 stakeholders, please get in touch with us today!

To submit an article, email your topic idea to info@iiousa.org with subject line:

EB-5 Article Submission.

SAMPLE TOPICS:

- ★ Regulatory and Government Oversight
- ★ Securities or Immigration Law
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- ★ Economic Analysis
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USCIS Site Visit Guidance

IIUSA Best Practice Committee Provides Resources for Regional Centers and Project Sites



ASHLEY SANISLO CASEY
ASSOCIATE DIRECTOR OF ADVOCACY, IIUSA

The IIUSA Best Practices Committee was established in 2012 to develop recommended industry best practices that contribute to a transparent and informed marketplace defined by the highest degree of professional behavior. In addition to best practices documents, the committee has also worked tirelessly to provide timely and helpful resources to ensure IIUSA members are educated industry stakeholders, able to operate their businesses in an informed manner. It is with that goal in mind that the committee formed a Compliance Audit and Site Visit Subcommittee to educate members on new USCIS Investor Program Office (IPO) initiatives that have been carried out this past year.

In August 2015, the IPO announced that in an effort to improve oversight of the EB-5 Regional Center Program, it would begin to implement project site visits. Random site visits began in early 2016, primarily at the job

creating entity (JCE) level, to verify project progress and job creation, particularly when projects began filing I-829s. According to recent remarks made by IPO Chief Nicholas Colucci, at the March 3, 2017 Stakeholder Engagement, IPO expected to conduct a minimum of 250 site visits this year.

In effort to educate and prepare Regional Center members on possible site visits, the newly formed Compliance Audit and Site Visit subcommittee solicited input from IIUSA members whose projects encountered site visits so it could craft the most valuable resources with relevant tips and accurate information from first-hand experiences with this new oversight program. Based on these experiences, the committee members discussed what kind of resources it could draft that would help other Regional Centers be better prepared in the event of a site visit.

What resulted is a two part document: 1.) A letter from the Regional Center to projects informing them about what a site visit is, why it may occur what their rights and responsibilities are in the event of a visit; and 2.) a document for project sites to keep on hand as a point of reference for anyone on site when USCIS officers show up for a site visit. The first document is meant to help a site manager better understand why a site visit may occur and how to communicate this with any workers. The second document is meant to be a reference sheet for anyone on site. Both documents are drafted so a Regional Center can personalize with letterhead and specific project and contact information.

Because these site visits are unannounced and those on the ground at project sites may have no idea what EB-5 is and why USCIS may be paying them a visit, the committee felt it was important to provide something for Regional Centers to send out to projects that clearly explains the site visit program. It was indicated from the feedback received from members that it seems the site visits are taking place at job sites where the project is at the I-829 stage for at least one investor. That is not to say, however, that USCIS is only conducting site visits at 829-eligible project sites and all Regional Centers should be educated on and prepared for one at any time. As the industry learns more about the protocol and implementation of USCIS Compliance Audits, the Best Practices Committee will explore ways to educate IIUSA members on how to best prepare for this additional level of oversight the agency is undertaking to improve program integrity and decrease the occurrence of fraud and abuse.

The Site Visit Guidance documents are available under resources in the IIUSA member portal (member.iiusa.org) in the Best Practices folder as well as the Membership Archive folder. ■

Is Cryptocurrency the New Solution to Difficulties in Transferring Currency?



MONA SHAH

PARTNER, MONA SHAH & ASSOCIATES

Chinese regulators have succeeded in putting the brakes on overseas use of China's currency by increasing the scrutiny of certain foreign investments. A slowing economy along with an exodus of money has compelled such action. Capital controls in China already restrict the movement of money; individuals, for example, are not supposed to move more than \$50,000 out of the country annually. Companies, too, have limits and other approval processes. On July 1, 2017, the Chinese Central Bank announced that:

"...Banks and other financial institutions in China will have to report all domestic and overseas cash transactions of more than RMB 50,000 Yuan (approximately USD 7,195), compared to RMB 200,000 Yuan previously... Banks will also need to report any overseas transfers by individuals of USD 10,000 or more."¹

This latest directive basically adds another layer of approval essentially creating further hurdles for investors attempting to transfer

money out of China. "The authorities, under the relentless pressures of capital outflows, are poised to impose extensive restrictions on capital movements, marking a reversal of the gradual liberalizations introduced in recent years," Fred Hu, the chairman of the Primavera Capital Group, an investment firm based in Beijing and Hong Kong.²

Complications in transferring funds out of the country is not a problem that singularly affects Chinese investors; other countries, including Vietnam and India, similarly have controls on personal capital transactions. These countries are in the top 6 of the most EB-5 visas, with South Korea, Brazil, and Russia, being the exceptions. Yet, these countries, instead of controls on personal capital transactions, have controls on direct investment. While Chinese regulators are increasing their scrutiny, they have been reluctant to ban overseas investment outright. It is still acceptable for Chinese companies and households to invest overseas, just a lot more difficult. This has led to the rise of complicated multilayered investment vehicles and products such as cryptocurrency. The use of cryptocurrency allows entrepreneurs and skilled investors to seek alternate, yet still legal, means of transferring funds from out of the country to the United States.

WHAT IS CRYPTOCURRENCY?

Cryptocurrency is a digital asset that can be used as a form of electronic payment. Its source of value stems from its derivation in its unique and specialized digital signature and its sales volume. The currencies are without centralized control and maintained

using a technology known as Blockchain. Blockchain is a digital ledger in which transactions made in Bitcoin or other cryptocurrencies are recorded chronologically and publicly.

This distributed ledger is preserved by a group of mutually distrustful parties called miners, which avoids one of the perceived weaknesses of the current financial system which ultimately relies on centralized control. The miners are members of the public that use their computers to validate and timestamp their transactions and then add them to the ledger and acquire them in their own digital wallets. The security of the system is based on the idea that each miner is trying to honestly maintain it, due to the financial incentives in doing so and the computational impracticality in reversing the transactions.³

Due to this feature, cryptocurrency is not subject to the same regulations and verification procedures by financial institutions, thus reducing the transaction costs associated with using their mediating services of a trusted third party. However, despite the financial incentive, there are serious security risks involved in investments in these alternative cryptocurrencies, among them is their proclivity to be used in black market transactions and the need to be either pseudonymous or anonymous. As a result, it is difficult for regulators to track the transactions, but advantageous for users to engage in this peer to peer (direct person to person) system of financing.⁴

THE CRYPTOCURRENCY SOLUTION

In China, for example, Bitcoin, a popular cryptocurrency, has been traded freely for

1 <http://www.reuters.com/article/us-china-yuan-idUSKBN14M032> Business News (January 1, 2017). China's new rules on yuan transfers are not capital controls: Xinhua. Retrieved from: <http://www.reuters.com/article/us-china-yuan-idUSKBN14M032>

2 <https://www.nytimes.com/2016/11/29/business/economy/china-tightens-controls-on-overseas-use-of-its-currency.htm>

3 <https://bitcoin.org/bitcoin.pdf>

4 <https://bitcoin.org/bitcoin.pdf>

IS CRYPTOCURRENCY THE NEW SOLUTION TO DIFFICULTIES IN TRANSFERRING CURRENCY?

years. Investors have used their personal bank accounts to purchase Bitcoin (at the local RMB to Bitcoin exchange rate), and deposited their bitcoins into a Bitcoin digital wallet. From there, the Bitcoin can be sold on the open international market for US dollars. The proceeds from that sale are then free to be sent to a bank account of choice in the US, as long as the investor is able to create a US bank account. As, many banks have restrictions as to whom can create a U.S.

bank account, an investor can create a foreign account that will accept USD and use it to transfer USD from their Bitcoin wallet. From here, the investor can transfer their money into an EB-5 project for investment purposes.

This transfer of currency method can be adapted in other areas that have similar risks and national regulations associated with the flow of funds to foreign nations as long as there is not stricter regulations imposed by their local governments. The Chinese government for example, is discussing the possibility of freezing bank accounts which participate in Initial Coin Offerings (ICOs). Like an IPO, ICOs are meant to raise initial capital for a cryptocurrency. If this regulation takes place, it will be harder to purchase new cryptocurrencies from China, and Bitcoin may soon be regulated shortly after. It is also widely anticipated that the Chinese government will ban the ability to trade Bitcoin on exchanges. The government is still expected to allow over the counter Bitcoin purchases, however it is yet to be seen how this will affect the liquidity of Bitcoin in the Chinese market.

While some countries are shying away from Bitcoin, others are embracing it with open arms. At time of print, two companies have announced this month that they will be opening Bitcoin mining farms in Japan. This serves to improve the liquidity of the Bitcoin market and increase the overall value of the cryptocurrency as more bitcoins will be made



available for trading and purchase. Japan's willingness to recognize Bitcoin as a currency, like the dollar or yen, can partially explain the expeditions to the country for Bitcoin mining. Likewise in the US, Bitcoin is recognized by the Commodity Futures Trading Commission ("CFTC") as a commodity and taxed as property by the IRS.⁵ Based on these significant regulatory developments in the US, select cryptocurrencies represent another legally recognizable means of transferring capital to US for the purpose of investing in job creating projects. Many other countries have embraced the use of Bitcoin, and recognize the new wave of cryptocurrencies and blockchain technology as a part of their economy.

Bitcoin is digital money used for the secure and instant transfer of value anywhere in the world. It is not controlled or issued by any bank or government - instead it is purchased and sold on an open network which is managed by its users. The value of a bitcoin is not tied or pegged to the value of any other currency. Similar to stocks or property, bitcoin values are determined by buying and selling in the open market. A bitcoin's price changes in real time based on the number of people who want to buy or sell it at a given moment. Therefore, like trading on the stock market, there is volatility involved in trading Bitcoin, however prudent investors can still find ways to take advantage of the cryptocurrency

⁵ <https://www.irs.gov/uac/newsroom/irs-virtual-currency-guidance>

market. Ultimately, Bitcoin allows for many investors to take part in a global financial network.

Another cryptocurrency growing in popularity is Ethereum. Ethereum allows the holder to participate in a global computational network. This is done by means of smart contracts, which are scripts of code that can be deployed in the Ethereum blockchain. Although smart contracts are still a very new technology, they have a wide range of potential applications

in many different areas, such as voting, global supply chains, medical records, the financial system, and possibly others that have yet to be discovered. The value of Ethereum is not tied or pegged to the value of any other currency. Similar to stocks or property (and just like Bitcoin), Ethereum's value is determined by buying and selling in the open market. The price of Ethereum changes in real time based on the number of people who want to buy or sell it at any given moment. Ethereum is regularly traded for bitcoin, dollars, euros, yen, and other currencies in real time 24 hours a day. Ethereum is often referred to by its abbreviation of "ETH", while Bitcoin is abbreviated to "BTC". Ethereum was created by Vitalik Buterin, a cryptocurrency researcher and programmer, in 2013.

Of the many advantages to using cryptocurrency, the speed in which currency can be transferred from a country with strict restrictions is at the top of the list. Moving forward, it can be foreseen to be a legitimate method of money transfer for global direct investments as long as government regulators cooperate with this new and dynamic method of investing and trading money. ■



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The Evolution of Retrogression to Redeployment -

Accessing Redeployment Options in 2017 Redeployment: What, How and Now What?



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BRAD STEDEM
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Retrogression, the buzzword in EB-5 for the last couple of years, has now given birth to a new buzzword - Redeployment. This article will explore the evolving and interconnected concepts of retrogression and redeployment, including how we got here, the pros and cons of several potential solutions to satisfy U.S. Citizenship & Immigration Services ("USCIS") requirements for redeployment and new possibilities for deal structuring.

HOW WE GOT HERE. The demand for EB-5 visas from Chinese petitioners has far exceeded the available supply. The monthly Visa Bulletin published by the Department of State sets an I-526 filing cutoff date of September 1, 2014 for Mainland China-born investors that can commence the final stage of the permanent residence immigration process by either filing for an Adjustment of Status or for Consular Processing. This delay is referred to as retrogression.

Under current policies of USCIS, as stated in its Policy Manual updated on June 14, 2017 (the "Policy Manual"), every EB-5 investor is required to retain their investment capital "at risk" in the New Commercial Enterprise ("NCE") until such time as that EB-5 investor has been in the U.S. for two years on conditional resident status. The two years commences on the date the EB-5 investor entered the U.S. after the consular interview or obtained a change of status if the EB-5 investor was already in the U.S. under a different visa (the "Sustainment Period").

According to the Citizenship and Immigration Services (CIS) Ombudsman's office, currently it may take a Mainland Chinese-born investor ten years or more to obtain permanent residency under the EB-5 program. As the typical EB-5 loan in today's market has a five year term with two one-

year extension options, there is a precarious gap during which EB-5 funds are essentially in limbo. If the EB-5 capital is repaid to the EB-5 investor, that EB-5 investor will no longer fulfill USCIS' requirement for the Sustainment Period, thus disqualifying the investor from approval at the I-829 stage to obtain a permanent green card.

POTENTIAL SOLUTIONS: In the Policy Manual, USCIS confirmed that redeployment of EB-5 funds is permitted and **will not**, in many cases, result in a material change. USCIS also indicated that the redeployment of EB-5 funds must be "within the scope...of the business" of the original NCE and the funds must be redeployed in a manner "related to engagement in commerce," which apparently precludes any purely passive investment, such as an investment in marketable securities. For this reason, if the NCE simply holds the money in a bank or securities account after the repayment of the EB-5 loan, the EB-5 investor will not have met the sustainment requirement and presumably would be unable to obtain his or her conditional immigrant visa or, if already a conditional resident, will be unable to remove conditions on residency.

Although experts agree that there is no definitive answer as to how USCIS will determine that a reinvestment is within the scope of the NCE's business, based upon the language in the Policy Manual, it seems likely that a redeployment of proceeds from the NCE's original investment into a form of investment authorized in the NCE's partnership agreement or operating agreement will meet the requirement that the reinvestment be within the scope of the NCE's business.

One option favored by developers of EB-5 projects is to recycle EB-5 funds into a new project being constructed by the developer. While this is a convenient solution for devel-



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The Evolution of Retrogression to Redeployment - Accessing Redeployment Options in 2017 Redeployment: What, How and Now What?

opers, there are securities and reputational risks for an NCE to consider if subsequent developer projects do not succeed or have a different risk profile than the initial project. After all, when an EB-5 investor chooses an EB-5 project, they spend a lot of time choosing one project over another by analyzing the risk factors of each project. Is it fair that they now be placed into a project not of their choosing but instead chosen by the developer? In addition, a solution of this type seems to provide EB-5 investors a lack of liquidity and no diversification. Once funds have been recycled into a new development project, there is no assurance that they will be available for payback to an EB-5 investor at the end of their Sustainment Period.

Since redeployment does not require job creation, if the initial project has been completed and the required jobs have been created, this presents an opportunity to redeploy EB-5 funds into pooled operational and performing real estate assets without any ongoing development risk. If these loans and investments, or pool of loans or investments, are each secured by a real estate asset, they will be similar to the type of loan or investment in which the initial EB-5 investment was made originally. This option should satisfy the Policy Manual requirement that redeployment be into an investment that is “within the scope of the NCEs business.” When choosing such an investment, the NCE should select an investment that has a strong track record so that the redeployment will provide a low level of risk to the EB-5 investors while they continue to await processing of their applications. The NCE should also seek out an investment that allows flexibility and liquidity by providing that each individual EB-5 investor can request redemption of their funds through a flexible redemption option and that allows for repayment as each EB-5 investor satisfies their Sustainment Period.

One example of such an investment involves an investment into a bridge fund facility, with third party fund administration and investment advisory services. The fund provides short term bridge loans to owners of multi-family and healthcare properties underwritten for take-out with permanent financing from government agency programs including HUD, Fannie Mae or Freddie Mac. These loans are secured by proper-



ties across more than one asset class and in multiple locations, thus the fund provides diversification which helps reduce risk to the EB-5 investors. As an example of a redemption option that provides liquidity, this fund provides that each EB-5 investor can be repaid upon completion of their Sustainment Period, thus providing that an EB-5 investor can be repaid promptly once USCIS permits the return of the EB-5 at risk funds.

By redeploying into an investment or fund that has a strong track record, is “within the scope of the NCEs business” and provides the EB-5 investors with liquidity tied to satisfaction of the Sustainment Period, an NCE mitigates the risks to the general partners or managers of the NCE of potential claims of breach of fiduciary duty, violation of U.S. securities laws and legal liabilities associated with redeployment of the NCE’s funds into a new investment. In addition, not only does reinvesting EB-5 proceeds into a fund with the characteristics described above allow for investment into a secure, diverse, liquid and compliant redeployment option, the NCE can receive real returns. The example stated above provides for a 4% preferred return to the NCE, paid quarterly to the extent of available cash flow of the fund and net of fees. While the preferred return is not guaranteed, it is structured such that the developer will incur the first 10% loss.

POTENTIAL FOR CHANGES IN STRUCTURING: Having the option of a secure, diverse, liquid and compliant redeployment program also makes it possible for sponsors and developers to confidently structure shorter loan terms and to take advantage of market cycles. Some asset classes, such as condominiums, are not suited for five or seven year loan terms due

to the ability of a developer to exit (sell or refinance the property) soon after the sale of units. Even for a multi-family or hotel project, the option to repay the loan after seven years is clouded by the at-risk requirements of capital. Redeployment provides flexibility, allowing for a sale or refinance of a project at the most opportune time, knowing that the EB-5 loan can be repaid and the proceeds redeployed into a safe and liquid investment program until EB-5 investors may be repaid.

Another option for developers with their own regional center is to simply structure a longer loan or preferred equity position which would negate the need for a redeployment strategy. This option works well for the developer as they can recycle the capital to two or three projects; however, it would seem that this may not be the safest and best solution for the EB-5 investor. First, if the developer and the regional center are related entities, this creates a conflict of interest and, as with the recycling of proceeds discussed above, the EB-5 investor’s capital could arguably be at greater risk in this type of arrangement as the EB-5 investor can be placed into projects that they have not had the opportunity to vet or approve.

In conclusion, the evolution of retrogression to the need for a redeployment vehicle is a new issue for the EB-5 industry. There is no indication that processing times will decrease, so including a redeployment strategy in the original Private Placement Memorandum, Business Plan and Limited Partnership Agreement/Operating Agreement for each project is highly recommended. In choosing a redeployment option, while it is important to take into consideration the policies of USCIS, it is also important to consider the needs and concerns of the EB-5 investors and to make certain that the redeployment option chosen provides them with a USCIS compliant, safe and liquid option while they await for the final adjudication of their visa.

The authors acknowledge the assistance of Ron Klasko in connection with the immigration law issues raised in this article. ■



THE MOST WONDERFUL TIME OF THE YEAR: I-924A SEASON



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LLP

It's that most wonderful time of the year again, when Regional Centers gather with their sponsored

EB-5 projects and new commercial enterprises ("NCEs") and reminisce over a warm beverage on the past fiscal year's job creation. Yes, it's the happiest season of all in the EB-5 industry. . . I-924A season! It is now time for Regional Centers to complete the Form I-924A, Annual Certificate of Regional Center ("Form I-924A") for submission to USCIS, and to resolve to continue promoting economic growth so that USCIS does not issue a Notice of Intent to Terminate ("NOIT").

GET PREPARED

In reality, the Form I-924A has become a time-consuming, agonizing requirement for Regional Centers that wish to maintain their designation. For new Regional Centers or Regional Centers with multiple projects, it's critical to start the process of collecting relevant information and documents in the autumn months for submission of the Form I-924A to USCIS by December 29 each year. With USCIS' emphasis on maintaining integrity within the EB-5 Program and the new focus of the Immigrant Investor Program Office ("IPO") on terminating poorly-managed Regional Centers, the proper, timely submission of a Form I-924A is essential. Because the Form I-924A is concerned with each specific Federal fiscal year's capital investment and job creation, it may be necessary to enlist an economist for assistance.

Regional Centers that wait until December to begin completing the Form I-924A may very well end up being overwhelmed with the amount of information that needs to be included. There's no reason to delay the preparation of the Form I-924A. Further, organizing information and documents for a Form I-924A submission will also help prepare Regional Centers and NCEs for Form I-829 petitions, and for Regional Center compliance audits.

Every Regional Center designated as of September 30 must file a Form I-924A on or before December 29 of the same calendar year, with a new fee of \$3,035.00.¹ The earliest a Regional Center can submit a Form I-924 is October 1 of each fiscal year. The Form I-924A must be submitted to USCIS' California Service Center, not the IPO. Once the I-924A is properly filed, USCIS will issue a receipt notice within 21 days after submission. A Regional Center that has not received a receipt notice should contact USCIS at USCIS.ImmigrantInvestorProgram@uscis.dhs.gov.

Failure to file Form I-924A in a timely manner, or to fully complete for the Form I-924A, or to provide certain documents² will result in the issuance of a NOIT, and may also cause USCIS to further scrutinize the Regional Center's sponsored EB-5 projects or its oversight/management practices. Regional Centers should also be aware that information submitted in the Form I-924A relating to principals or own-

ers of an Regional Center and its sponsored projects will be used by USCIS to perform standard background checks with law enforcement agencies, which may reveal derogatory information that may also result in the issuance of a NOIT.

Unfortunately, the Form I-924A has inadequate formatting and somewhat ambiguous instructions, which can lead to unorganized submissions. It appears that USCIS understands the confusing or complex nature of the Form I-924A, as it has provided filing tips³ and hosted webinars on the form⁴. While retaining experience immigration counsel to prepare, or at the very least, review the Form I-924A before submission is highly advised, below is some general guidance on completing the form.

COMPLETING THE FORM I-924A

The current version of the I-924A Form and Instructions (dated December 23, 2016) can be found on the USCIS website at <https://www.uscis.gov/i-924a>.

The Form I-924A requests information about four items: (a) the ownership of the Regional Center (Part 1 and Part 4), (b) the management of the Regional Center (Part 2 and Part 4), (c) the aggregate capital investment and job creation from the EB-5 capital investments sponsored through the Regional Center (Part 5 and Part 6), and (d) the number and status of EB-5 applications filed with USCIS by immigrant investors who have made capital investments sponsored through the Regional Center (Part 7).

³ Annual Reporting Information/Filing Tips: Form I-924 Supplement to Form I-924 (Dec. 3, 2015), available at <https://www.uscis.gov/forms/annual-reporting-information-filing-tips-form-i-924a-supplement-form-i-924> (last accessed August 25, 2017).

⁴ A recording of a webinar on the I-924A held on August 24, 2017 is available at <https://www.uscis.gov/outreach/form-i-924a-annual-certification-regional-center>. USCIS previously hosted an interactive engagement on I-924A on September 17, 2015.

¹ U.S. Citizenship and Immigration Services Fee Schedule, 81 Fed. Reg. 205 (Oct. 24, 2016), available at <https://www.gpo.gov/fdsys/pkg/FR-2016-10-24/pdf/2016-25328.pdf> (last accessed August 25, 2017). Note that entities with a pending initial Form I-924, Application for Regional Center Designation Under the Immigrant Investor Program ("Form I-924") and Regional Centers that have been terminated are not required to submit a Form I-924A.

² Regional Centers should submit legible photocopies of documents requested, unless the I-924A Instructions specifically state that an original document must be submitted. If an original document is submitted when not required or requested by USCIS, it may be immediately destroyed upon receipt.

Part 5 and Part 6 are certainly the most time-consuming to complete. The Form I-924A requires Regional Centers to demonstrate the aggregate capital investment and job creation in each industry category for each sponsored EB-5 project and NCE. Regional Centers should only include aggregate capital investment and job creation that occurred during the Federal fiscal years chosen in the Reporting Period selected in Part 3 of the Form I-924A. Because this may require the calculation of direct jobs or jobs created through expenditures or revenue to be pro-rated for the Federal fiscal year, Regional Centers should meet with sponsored NCEs and associated developers to discuss and obtain evidence of construction expenditures, operational revenue, and direct employment during the prior Federal fiscal year.

The calculation of jobs in the Form I-924A should employ the same economic methodology identified when the sponsored EB-5 project was first submitted to USCIS (unless USCIS has subsequently approved a different economic methodology for that EB-5 project). However, in cases where a current project is different than what was contemplated in Form I-924 or Form I-526, the job creation calculation should employ the intended methodology for related Form I-829. Whichever methodology is used, an economist will likely be required to perform an analysis to determine the aggregate capital investment and job creation in each industry category that has been the focus of EB-5 capital investments sponsored through the Regional Center. The economist's report should include a description which explains the pro-rated inputs and job creation calculations in relation to the total jobs expected to result from each sponsored EB-5 project.

The form also requires Regional Centers to distinguish between aggregate EB-5 capital investment and aggregate non-EB-5 capital investment for each sponsored EB-5 project. USCIS noted during the August 2017 stakeholder meeting that aggregate capital must be tracked by industry category. Unfortunately, USCIS has provided no guidance on how to allocate EB-5 capital investment and non-EB-5 capital investment into each industry category.

A critical challenge in completing the Form I-924A is to ensure internal consistency between different sections. For example, for Regional Centers with more than one NCE, the aggregate capital investment and job creation numbers included in Part 5 should

match the sum of all capital investment and job creation for each NCE included in Part 6. If USCIS spots inconsistencies in this simple arithmetic, it will question the competency of a Regional Center's management. In its I-924A webinar on August 24, 2017, USCIS indicated that Regional Centers may submit printed attachments from Word or Excel to provide the requested information in Part 6, as long as the Regional Center's "Authorized Individual" signature and date is included on each page, and the attachment clarifies what part and question of the Form I-924A is being answered. The format of the Form I-924A limits the amount of information that can be provided, but attachments can be used to present complete information in a simple, understandable way.

Regional Centers should also ensure external consistency with other immigration petitions (Form I-526s and Form I-829s) filed with USCIS under the Regional Center's designation. The job creation number should reflect the aggregate direct, indirect, and/or induced jobs that have actually been created by all sponsored projects during the appropriate reporting period, regardless of whether EB-5 investors have independently claimed credit for such jobs on a Form I-526 or Form I-829. Regional Centers should only include "maintained jobs" if its sponsored projects involve a "troubled business."

WHAT IF LIMITED OR NO CAPITAL INVESTMENT OR JOB CREATION?

Due to IPO's focus on terminating inactive Regional Centers, recently designated Regional Centers or Regional Centers that have not been active during the past fiscal year may be apprehensive about completing a Form I-924A which indicates limited or no capital investment or job creation. In these circumstances, especially for those Regional Centers that previously submitted a Form I-924A indicating limited or no capital investment or job creation in prior years, it is advisable to provide evidence that the Regional Center has pursued the sponsorship of EB-5 projects for the "purpose of concentrating pooled investment as required by section 610 of the Appropriations Act"⁵. The goal is adequately demonstrating to USCIS that the Regional Center has taken noteworthy, valuable, and concrete actions in order to promote economic growth. This could include letters of intent to sponsor real estate projects; evidence of conducting due diligence (such as feasibility studies or Targeted

Employment Area analysis) to verify whether potential EB-5 projects would comply with EB-5 requirements; evidence of undergoing the real estate entitlement or permitting process (including environmental impact reports or working with design professionals); or letters from local or state government entities expressing support for the Regional Center's future development activities. Regional Centers may also wish to note their coordination efforts with developers, bankers, escrow agents, marketing staff, immigration attorneys, accountants, permitting and licensing experts, and others to promote economic growth through improved regional productivity, job creation, and increased domestic investment.

Drawing USCIS' attention to the market factors surrounding the EB-5 Program may also be an attractive strategy. For example, Regional Centers that have filed I-924 amendments with an EB-5 project exemplar may indicate that long USCIS processing times make marketing EB-5 projects practically unrealistic, as the buyer's market of EB-5 visas generally require I-924 exemplar approvals to be taken seriously. Marketing an EB-5 project without a Form I-526 approval (now taking on average over a year and a half for USCIS to adjudicate) is also difficult.

Finally, it may also be wise to include reference to Matter of A-L-V- LLC⁶, ID # 15160 (AAO June 20, 2016), which indicated that a Regional Center's Form I-924 As failed to reflect any economic activity since designation seven (7) years earlier before USCIS issued a NOIT to terminate its Regional Center status. Putting together a successful EB-5 project is no easy task, and it is reasonable to assert that a Regional Center's careful planning in a highly competitive marketplace is prudent business model.

CONCLUSION

The Form I-924A is the easiest way for a Regional Center to demonstrate its capital investment activities and resulting job creation, and also its competency in overseeing and managing its sponsored EB-5 projects and NCEs. Regional Centers can also use this annual opportunity to organize relevant documents for future Form I-829 use, and to prepare for possible Regional Center compliance audits. ■

⁶ See Matter of A-L-V, LLC ID # 15160 (AAO June 20, 2016), available at https://www.uscis.gov/sites/default/files/err/K2%20-%20Regional%20Center%20Termination/Decisions_Issued_in_2016/JUN202016_01K2610.pdf (last accessed September 1, 2017).

⁵ See USCIS Policy Manual, Volume 6, Part 6, Chapter 3.

The Essential Role of a Registered Investment Adviser in the Redeployment of EB-5 Capital



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One of the most important responsibilities of every general partner or manager of a new commercial enterprise (“NCE”) will be the choice of investment alternative for the NCE’s capital upon redeployment from its initial investment in a job creating entity (“JCE”). In its revised Policy Manual released June 14, 2017, USCIS issued new guidance that requires redeployment of an NCE’s EB-5 investment capital if the JCE returns the NCE’s capital investment before all of the EB-5 investors in the NCE have completed their two year conditional permanent residency period. The biggest impact of this redeployment requirement is on EB-5 investors from mainland China, because of the current waiting time to process their conditional residency visas, which according to the USCIS Ombudsman 2017 Annual Report will result in delays of 10 to 12 years in the completion of the conditional permanent residency period for these investors. This will necessitate a redeployment of capital by the NCE for potentially five to seven years after the original investment in the JCE has been returned to the NCE.

This USCIS-imposed redeployment requirement creates new risks and responsibilities for the general partner or manager of the NCE, who are charged with the fiduciary responsibility of managing the NCE for the benefit of its EB-5 investors. Most NCEs do not provide for an automatic approved form of reinvestment upon repayment by the JCE, particularly those NCEs formed prior to 2015, when the “retrogression” of EB-5 visas occurred for the first time for investors from mainland China. Therefore, the general partner or manager of the NCE bears the responsibility for selecting or recommending an alternative investment of the NCE’s capital during the required redeployment period. Even if the general partner or manager allows the EB-5 investors to approve the alternative investment, those investors will be relying upon the general partner or manager to recommend one or more reinvestment alternatives that are appropriate for the EB-5 investors.

How will the general partner or manager of the NCE demonstrate that it has met its fiduciary duties to the EB-5 investors in the

selection of a reinvestment alternative for the NCE? One of the most valuable ways of meeting this responsibility is to engage an independent registered investment adviser to review and advise the NCE on the available reinvestment alternatives. Here are ways in which the registered investment adviser (“RIA”) can protect the general partner or manager of the NCE, as well as the EB-5 investors, in connection with the reinvestment of the NCE’s capital:

1. The RIA can provide independent advice when the general partner or manager has conflicts of interest in the choice of reinvestment alternatives.

If the NCE does not already have a specifically designated reinvestment that was disclosed to the EB-5 investors at the time of their original investment, the general partner or manager of the NCE will often have conflicts of interest in selecting the reinvestment option for the NCE. Conflicts of interest usually arise when the reinvestment is in a project in which the general partner or manager or one of its affiliates has a financial interest, or a project in which the original



The Essential Role of a Registered Investment Adviser in the Redeployment of EB-5 Capital

developer has a financial interest which may result in a financial benefit to the general partner or manager, or an investment that pays a higher rate of return to the general partner or manager, but results in a higher risk of loss of capital to the EB-5 investors. Similar conflicts of interest may have existed with the original investment in the JCE, but the EB-5 investors were likely informed of those conflicts of interest in the offering documents when they made their original investment, whereas the EB-5 investors may not be provided with a choice of another reinvestment option at the time the general partner or manager selects a reinvestment. The EB-5 investors therefore have little if any ability to protect their own interests when the reinvestment is made by the NCE. In that situation, if anything goes wrong with the reinvestment, the EB-5 investors will potentially have a good claim against the general partner or manager for making a reinvestment that violated their fiduciary duties to the EB-5 investors. However, if the general partner or manager obtains advice from an independent RIA in selecting the reinvestment, the independent RIA can review the reinvestment from the perspective of the EB-5 investors, to determine that their interests are adequately protected.

2. An RIA can provide expert due diligence on one or more reinvestment options.

All reinvestment options considered by the general partner or manager of an NCE must be thoroughly reviewed and analyzed, to the same extent as the original investment by the NCE. If one of the reinvestment options being considered is an investment in another single asset project, all of the elements of the investment must be examined, including details regarding the property, the project, the background of the developer, the financing for the project and the anticipated exit strategy. Although due diligence on a real estate project could be done by a real estate expert, having an RIA conduct or review the analysis is particularly important where more than one reinvestment option is being considered, because the RIA can compare the relative advantages and disadvantages of each reinvestment option.

3. An RIA can provide access to multiple reinvestment alternatives before a reinvestment option is selected.

One of the functions of an RIA is to analyze multiple investment alternatives, compare their relative advantages and disadvantages, and determine which of them is most appropriate for each NCE. This will depend upon numerous factors, including the type of investments the NCE is authorized to make in its partnership agreement or operating agreement, the liquidity needs of the NCE, the risk level that is appropriate for the NCE, among others. The independent RIA may also have the ability to introduce investment options that are not otherwise available or known to the general partner or manager of the NCE. In addition, the independent RIA may have already conducted due diligence on one or more of these available investment options, which will assist the general partner or manager to determine which option will best suit the requirements of the NCE. An independent RIA that is knowledgeable regarding the requirements of the EB-5 requirements will be able to analyze both the immigration-related factors and financial and risk-related factors that should be considered in making the reinvestment decision.

4. An RIA can protect against claims that the general partner or manager is acting as an unregistered investment adviser in making a reinvestment decision.

The Investment Advisers Act of 1940 requires that general partners or managers of private investment funds be registered as investment advisers under certain circumstances (which will not be detailed in this article). The securities laws of the states also have registration requirements that may apply to general partners or managers of private investment funds. There are no precedent decisions or policies that specifically address the issue of whether a general partner or manager of an NCE is required to register as an investment adviser. A good argument can be made that they should not be required to register as an investment adviser with respect to the initial investment made by an NCE, since the NCE was established primarily for the purpose of making one investment in the JCE, and that

investment is fully disclosed to all investors at the time they make their decision to invest in the NCE. However, when a reinvestment is required to be made by the NCE, unless that reinvestment was also fully disclosed to the EB-5 investors at the time of their investment decision, the general partner or manager will be required to analyze multiple investment options and select or recommend an investment. That creates a potential argument that the general partner or manager should not make a reinvestment decision on behalf of the NCE unless it is itself a registered investment adviser, depending upon the federal or state law that applies to each general partner or manager. One possible way of mitigating this risk is for the general partner or manager to engage an independent RIA to analyze and determine the most appropriate reinvestment option for the NCE.

5. An RIA can be part of a securities compliance program adopted by the general partner or manager of an NCE.

There have been several legislative proposals introduced to reform the EB-5 program that would include certification requirements for regional centers, including certification of securities law compliance. Although we do not know whether any of those legislative proposals will be adopted, we do know that a securities compliance program can be helpful in following best practices and in establishing a defense against potential claims by disgruntled investors for any reason, or investigations by government agencies. Engaging an RIA to assist in the analysis and selection of a reinvestment option for an NCE can be an important part of such a compliance program, because it demonstrates the efforts of the general partner or manager of the NCE to protect the EB-5 investors and comply with applicable securities laws.

Conclusion: Engagement of an independent RIA in connection with a reinvestment of NCE capital can protect general partners and managers of NCEs, as well as EB-5 investors, by providing independent advice, access to multiple investment options, and securities law compliance. ■

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Loan Agreement Best Practices



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The overwhelming majority of projects using funds from foreign immigrants investing in the Employment Based

Fifth Preference Immigrant Visa Program (“EB-5 Program”) use a loan model structure (the “Loan Model”). As depicted in the chart below, under the Loan Model, the EB-5 investor funds that are pooled into the new commercial enterprise (“NCE”) are in turn loaned to a borrower, usually on a secured basis. The borrower will be the job creating entity (“JCE”) or, in the case of a mezzanine-type structure, an affiliate of the JCE, which will usually be a JCE holding company that will borrow the funds and in turn contribute (or loan) them to the JCE for the financing of all or a portion of the development costs of the EB-5 project.

Despite the popularity of the Loan Model, NCE project principals sometimes neglect to pay sufficient attention to the EB-5 loan documents or fail to apply best loan practices to the administration of the EB-5 loan. Because critical rights of the EB-5 lender are at stake in the Loan Model, this article aims to guide NCE project principals on how to best ensure that the EB-5 loan documents adequately protect EB-5 investor funds.

LOAN TERMS

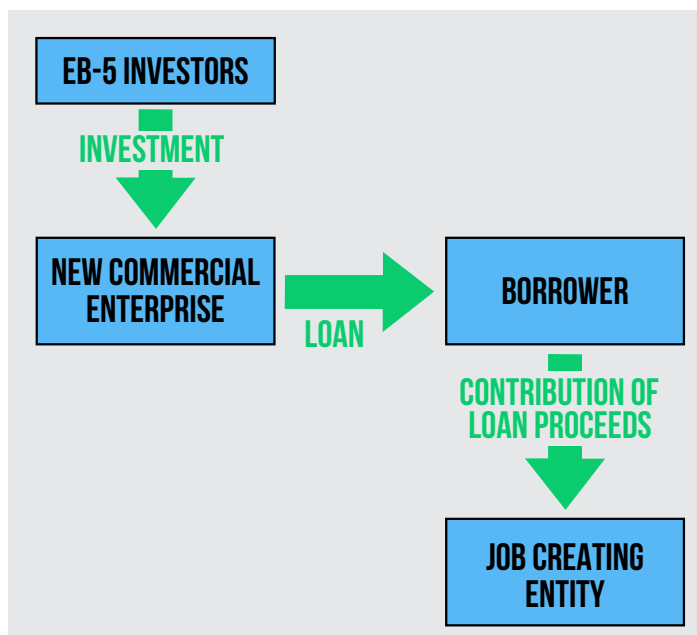
The EB-5 loan agreement should, of course, include standard loan provisions. These would typically include loan term, maturity date, interest rate, repayment terms, representations and warranties, conditions precedent to any loan advance, affirmative and negative covenants, terms of collateral, clear descriptions of events of default (and notice of such events, as well as cure periods) and remedies, among other standard loan provisions. Without question, the EB-5 lender should make every effort to ensure that all loan provisions meet the requirements of the EB-5 Program. As such, having properly drafted loan documentation in place is a fundamental requirement.

Even if strong and compliant EB-5 loan documents are in effect, the EB-5 lender must properly administer the EB-5 loan. The goal of proper loan administration should be to effectively implement the provisions of the EB-5 loan documents. Proper administration should also reinforce lending best practices. Of course, properly drafted EB-5 loan documents should embody the critical elements of lending best practices. If that is the case,

effective administration of properly drafted loan documents will ensure the implementation of lending best practices. Importantly, then, lending best practices begins with the EB-5 lender’s proper focus on the negotiation and drafting of proper and compliant loan documents.

IMPORTANCE OF CONDITIONS PRECEDENT

Logically, until the EB-5 lender makes EB-5 loan advances, there exists little risk. As such, special attention should be paid to the conditions precedent contained in the EB-5 loan documents dealing with the making of EB-5 loan advances, which must be must be well-considered and



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tailored to fit the type of (and coinciding risks attendant to) the EB-5 project. Such conditions precedent could include, among many others, the EB-5 lender's satisfaction with (i) its due diligence review of the EB-5 project; (ii) the existence and verification of funding of all other financing indicated in the development or other budget for the EB-5 project; (iii) the adequacy and condition of the collateral that secures the EB-5 loan, including the proper recordation or perfection of any security interest in such collateral; (iv) any required appraisal, valuation and/or feasibility or market study; (v) any corporate or personal guaranty to be made by a JCE affiliate; (vi) lien and judgment searches; (vii) the background of the JCE principals; (viii) environmental or other necessary or applicable reports; and (viii) escrow release conditions (if any) having been met.

Of the conditions precedent noted above, some are more critical than others and demand special attention. One of such conditions precedent relates to the JCE having secured and received the other required funding sources forming part of the capital stack for the EB-5 project, as noted above. Simple reason would dictate that the EB-5 lender should not make any EB-5 loan advances until it has confirmed that any required project equity infusions (such as developer equity) and/or senior or construction loan proceeds have been funded. The importance of this condition precedent cannot be overemphasized. Violating this condition precedent would clearly defy lending best practices because it would expose the EB-5 capital to unreasonable increased risk. If the EB-5 project has not secured the necessary equity and/or debt financing, there can be no assurance that all of the funds necessary to complete the project will be ultimately available. Under such a circumstance, the EB-5 lender may have inappropriately exposed the EB-5 investor funds to the risk of project failure and EB-5 loan default.

IMPORTANCE OF AFFIRMATIVE AND NEGATIVE COVENANTS

The inclusion of appropriate affirmative and negative covenants in the EB-5 loan documents may also be used to better ensure EB-5 Program compliance. Affirmative covenants should require the JCE to undertake the project solely within the targeted employment area and in accordance with the project's business plan. Compliance with such an affirmative covenant would ensure necessary job creation requirements. Affirmative covenants may also require the borrower and/or the JCE to: (i) maintain specified net worth, debt service and/

or collateral coverage ratios; (ii) follow specific procedures to keep the EB-5 lender informed of any material changes, adverse developments and/or changes in management or ownership; (iii) provide periodic financial statements and reports and audits or reviews of the financial statements by qualified unaffiliated professionals; and (iv) provide financial statements and certain information regarding changes in the borrower's and/or the JCE's ownership or its business, among other covenants. Similarly, EB-5 investor funds that have been subsequently loaned to the borrower may be better protected through negative covenants, which, among other things, may restrict the borrower from incurring further debt, selling all or a portion of its property, entering into certain agreements or taking other actions that may adversely affect the EB-5 project.

The inclusion of all necessary or appropriate negative and affirmative covenants in the EB-5 loan documents should help better protect the EB-5 lender because a breach of either an affirmative or negative covenant would likely constitute an event of default. Enforcing the EB-5 loan agreement in such a case may permit the NCE to accelerate the loan, enforce its security interest and seek payment from guarantors, among other remedies.

SECURING THE LOAN

The adequacy and sufficiency of the collateral securing the EB-5 loan is another important consideration. To secure the EB-5 loan, the borrower may provide the NCE with a security interest in all or part of its real and/or personal property. In connection with the security interest, the parties should enter into, as applicable, a mortgage (or deed of trust) and/or a pledge and/or security agreement tailored specifically for the EB-5 loan. As explained above, affirmative covenants may be used to ensure ownership by the JCE and/or the borrower of the real and/or personal property that is the subject of the security interest and uncover any issues with title to such property, including any claims third parties may have against the property.

Even if the loan agreement and accompanying security documents are well-drafted, EB-5 investors will not be protected if the collateral is not properly perfected. As such, there must be follow-through to perfect the security interest in accordance with applicable state laws to the letter. This is because virtually any failure to properly perfect a security interest may result in the EB-5 lender losing priority to other creditors. The NCE may then be left without an

adequate remedy in the event of a default by the borrower.

INTERCREDITOR ISSUES

Assuming that the security interest granted by the borrower to secure the loan is adequately perfected, the existence of intercreditor and/or subordination agreements with the borrower's senior lenders may also adversely affect the NCE's ability to exercise its remedies under the EB-5 loan documents. For example, a senior lender may require that the intercreditor agreement include a standstill, which exposes the NCE to the risk that it will not be able to foreclose on the collateral. Senior lenders may insist on such standstill provisions because, among other reasons, senior lenders do not want the EB-5 lender to take any action that might impair the senior lender's collateral or expose it to claims or litigation. Additionally, in the case where the collateral is in the form of a pledge, senior lenders resist having persons that they have not underwritten or qualified wind up as the manager or owners of the borrower upon the EB-5 lender's foreclosure of the pledge. Consequently, senior lenders often restrict who may serve as a substitute owners of the JCE and require that only those who have the requisite experience, knowledge and financial assets be permitted to act as substitute managers or owners of the JCE.

Thus, the borrower should carefully negotiate any intercreditor or subordination agreements with the NCE lender in mind to safeguard the NCE's ability to exercise its remedies under the EB-5 loan documents and the JCE's retention of the flexibility it needs to undertake the project in accordance with the business plan. And once intercreditor and/or subordination agreements are in place, the EB-5 loan documents should be prepared in a manner to not run afoul of such agreements.

SUMMARY OF BEST PRACTICES

The best practices for EB-5 loan documents can be summarized as follows: making sure the loan documents (1) include not just standard loan terms but that such terms are compliant with EB-5 Program requirements and best loan practices; (2) have adequate collateral that is perfected; and (3) take into account any intercreditor issues. Ultimately, because of the central role that EB-5 loan documents play in protecting EB-5 investor funds, it is advisable for EB-5 project principals to seek the assistance of knowledgeable and experienced professionals in the preparation and review of loan documents. ■



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SEC Brings Another Enforcement Action Against Unregistered Broker Dealer in California EB-5 Offering



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The recent U.S. Securities and Exchange Commission ("SEC") enforcement action against Allen Chi of California illustrates the SEC's continued crackdown on unregistered broker-dealers and finders compensated for facilitating introductions between foreign investors and sponsors or promoters of EB-5 projects.

On August 21, 2017, the SEC instituted cease-and-desist proceedings against Allen Chi, a resident of Arcadia, California, pursuant to Section 21C of the Securities Exchange Act of 1934 ("Exchange Act"), alleging that Mr. Chi violated Section 15(a)(1) of the Exchange Act. The SEC order alleges that Mr. Chi, through his company, Mason Investments, LLC, helped introduce Chinese investors, who hoped to qualify for U.S. residency under the EB-5 program, to Suncor Companies, a provider of nursing care facilities. In return for such introductions and related work (detailed below), Mr. Chi allegedly received transaction-based compensation from Suncor Companies in the form of commissions based on a percentage of the amount invested. (Such activities and compensation are hallmarks of broker activities under the Exchange Act.)

The SEC order also noted that the principals

of Suncor Companies had previously been determined to have misused and misappropriated investors' funds, although Mr. Chi was not charged with any misappropriation. Although it is unclear, it is possible that the SEC's civil injunctive action against the Suncor Companies led to the SEC order involving Mr. Chi.

Section 15(a)(1) of the Exchange Act makes it unlawful for any broker or dealer "to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security" unless such broker or dealer is registered with the SEC in accordance with Section 15(b) of the Exchange Act. At no time during the fund-raising efforts (September 2012 through February 2014) was either Mr. Chi or Mason Investments a registered broker-dealer under Section 15(b) or associated with a registered broker-dealer. Chi's subsequent association with a registered broker-dealer came after the date of his activities in the Suncor Companies matter.

As a result of the SEC's order, Mr. Chi must pay approximately \$2.4 million in disgorgement of compensation received and \$246,000 in prejudgment interest to investors injured in the Suncor Companies investment.

Avoiding Section 15(a)(1) Liability

Section 15(a)(1) of the Exchange Act requires that any "broker" that makes use of the U.S. mail or an instrumentality of interstate commerce to effect transactions in securities must register with the SEC. A "broker" is defined by Section 3(a)(4)(A) of the Exchange Act as "any person engaged in the business of effecting transactions in securities for the account of others." Determining whether a person is a broker requires a two-prong analysis: whether the person is (1) "engaged in the business" and (2) "effecting transactions."

Meeting this test requires an analysis of the facts and circumstances surrounding the case. Generally, the receipt by a person of "transaction-based compensation" — compensation that is contingent upon or varies in amount based upon the amount of securities sold — has traditionally been a bright-line test for whether the person has engaged in broker-dealer activities. However, even activities such as solicitation or negotiation may meet this test.

The SEC has adopted Rule 3a4-1 as a safe harbor to broker-dealer registration concerns by providing a broker-dealer registration exemption (colloquially, the "issuer exemption") for persons associated with an issuer, including any officers, employees, or company affiliated with the issuer. Under this rule, such person will not be deemed a broker if he or she (1) is not compensated by payment of commission or other remuneration based on securities transactions, (2) is not associated with a broker-dealer, and (3) limits his or her activities to working on one offering per 12 month period or performs substantial duties other than those in connection with transactions in securities, such as soliciting only

SEC BRING ANOTHER ENFORCEMENT ACTION AGAINST UNREGISTERED BROKER DEALER IN CALIFORNIA EB-5 OFFERING

certain financial institutions, and performing only passive or clerical duties involving solicitation of investors.

In applying the broker facts and circumstances test in Mr. Chi's case, as set forth in the SEC's order he performed due diligence, advised the Suncor Companies on the investment structure, and helped with preparing the solicitation materials. In addition, he also allegedly facilitated the execution of investment agreements and the transfer of funds. In short, his activities were far more than passive or clerical duties or merely making an introduction, and additionally, for his work, he was compensated on a "success fee" basis, based entirely on the number of investors he was able to bring in and the amount he helped Suncor Companies raise (that is, "transaction-based compensation"). Unsurprisingly, Mr. Chi was not able to avail himself of the Rule 3a4-1 safe harbor.

EB-5 PROJECTS AND CHINESE INVESTORS

With the number of I-526 petitions steadily increasing and demand seemingly outpacing supply, there is growing concern that the incidence of EB-5 projects using unregistered broker-dealers and "finders" to help find investors – often with the promise of a lucrative commission or success fee – is continuing to rise. As noted in the IIUSA Regional Center Business Journal June 2017 article "Advent of the Broker Dealer," between February 2013 and December 2016, the SEC filed 19 cases against respondents that involved EB-5 programs, with 11 of the 19 cases involving the use of unregistered broker-dealers.

Cases like the one involving Mr. Chi are not new. In March 2016, the SEC ordered a Boca Raton, Florida company called Ireeco LLC and its Hong Kong affiliate Ireeco Ltd. to pay approximately \$3.18 million in disgorgement. Ireeco reportedly used its website to solicit Chinese investors, including some of whom were already in the U.S. on a temporary visa, and matched the investors up with a select group of EB-5 regional centers. Each of the regional centers paid transaction-based commissions to Ireeco of approximately \$35,000 per investor.

As with the Chi case, the SEC alleged that the transactions facilitated by Ireeco violated Section 15(a)(1) of the Exchange Act because Ireeco engaged in the business of "inducing or

attempting to induce the purchase or sale of securities for the accounts of others without registering as a broker-dealer" (emphasis added).

Again, Mr. Chi resident in a Los Angeles, California suburb whose population includes many recent immigrants from China and evidently saw an opportunity to earn compensation by introducing Chinese investors to Suncor Companies and allegedly influencing them to make EB-5 investments. He allegedly facilitated the purchase of Suncor Companies limited liability company membership interests by Chinese investors seeking to obtain United States visas through the EB-5 Program. According to the SEC order, directly and through Mason Investments, Mr. Chi's activities included "performing due diligence on the Suncor Companies, advising the Suncor Companies on the structure of the EB-5 investments, helping to prepare solicitation materials, recommending and advising on the purported merits of the Suncor [Companies'] securities to potential investors, [and] acting as a liaison between the Suncor Companies and the investors...." Mr. Chi also facilitated the execution of investment agreements and the transfer of investment funds. In exchange for his sizable role in facilitating investor purchases of Suncor Companies securities, Mr. Chi received transaction-based compensation.

LAW FIRMS CANNOT ACT AS UNREGISTERED BROKERS-DEALERS

Law firms and lawyers, when helping their immigration or securities clients with their visa applications or choices of investment project, must also be careful not to go too far lest they be determined to have served as brokers without the SEC registration required for that role.

A few months after the Ireeco case, in 2016, the SEC charged Hui Feng, a lawyer in the Law Offices of Feng & Associates based in New York City. According to the SEC order, Mr. Feng opened four offices in China that were each staffed with an employee who was instructed to promote the Feng & Associates website. The website included specifics of various EB-5 projects and made investment recommendations to their investor clients and potential investor clients, nearly all of whom were based in China. Mr. Feng allegedly received over \$1.1 million in commissions in connection with these sales, and was contrac-

tually entitled to at least an additional \$3.1 million in commissions. Pursuant to the SEC order, Mr. Feng was ordered to pay over \$1.7 million in disgorgement and interest plus a combined \$960,000 civil penalty.

Similarly, in March 2016, the SEC also reached settlement with Linda Yoo, an immigration attorney based in Bellevue, Washington, who received commissions and transaction-based payments for helping her clients invest in EB-5 projects. According to the SEC order, Ms. Yoo was ordered to disgorge \$205,000 and pay \$50,000 in civil penalties and \$23,169 in interest.

Needless to say, neither of these attorneys were registered brokers, thus neither of them were lawfully entitled to broker compensation. This is entirely similar to the raft of enforcement actions brought by the SEC against other immigration attorneys active in the EB-5 industry.

CONCLUSION

There have been recent proposals from the Department of Homeland Security and proposed legislation from the U.S. Congress regarding the EB-5 program, but the passage and impact of these proposed changes on the program is unknown. What is certain is that sponsors and promoters for EB-5 projects will continue to use broker-dealers and finders to help them source investors and investment capital, and those brokers who have an established network of green card-seeking investors from China and other overseas source markets will be in particularly high demand.

As the Chi/Suncor Companies case illustrates, it behooves these sponsors and promoters to choose their broker-dealers very carefully, and ensure that the persons acting as broker-dealers are duly licensed and registered under the Exchange Act (where appropriate) prior to agreeing to provide such broker-dealers a "success fee" or other transaction-based compensation. At the same time, persons or firms acting as brokers, including immigration lawyers, need to either register with the SEC as a broker or structure their fees and scope of services to fall under the Rule 3a4-1 safe harbor (if possible) so as to avoid liability under Section 15(a)(1). Otherwise, they and the companies that hire them risk running afoul of SEC rules and being subject to significant disgorgement and other penalties. ■



SEO, Content Marketing, and Technology in EB-5



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These days, a high-quality, responsive website is not just an additional way to drive web traffic but the bare minimum needed to stay competitive. Today's websites need to offer unique and compelling content, delivered consistently in an easy-to-read format, and they need to stand out from the crowd of other sites doing the same thing. That is where Search Engine Optimization (SEO), combined with a user-friendly site experience, can help companies direct the right traffic to their sites, find the right audience for their content, and convert that audience into leads and investors.

What is SEO? The short answer: it is a way of building your site's content to ensure that when your target audience searches for relevant topics on the leading search engines, your site shows up in the top results.

How do you optimize your site? That is a bit more complicated. Imagine SEO as a game of football, only the end zone keeps moving around on the field. Today, your site may show up as the number one result for "Regional Centers in Sacramento"; tomorrow, you may be on the second page. Google and other search engines keep changing the algorithms they use, and do not release the full details

of these changes. Search engine optimizers spend countless hours studying analytics and comparing search results to learn what SEO techniques work, what has stopped working, and what actions could actually penalize your site.

BASIC SEO:

Using keywords, adding alt-tags to images, and including proper headers and footers are all basic optimization techniques. They are all good things to do, but technical optimization alone will not necessarily be enough to stay at the top of the search results. Your competitors are also working on revising their sites, improving their keywords, and generating new content—all things that affect rankings. Staying on the front page requires staying informed about the newest changes and additions to the leading search engine algorithms.

One of the biggest challenges in EB-5 SEO is making sure the target audience is actually able to find your site. Many countries use Google for their primary search engine, but some current EB-5 markets, like China and Russia, rely on their own engines.

China, the largest EB-5 market, has built its Internet usage around Baidu. The good news

Top Search Engines by Key EB5 Country

China	Baidu	74.59%
Vietnam	Google	93.26%
South Korea	Google	65.29%
Taiwan	Google	87.01%
Brazil	Google	96.98%
India	Google	96.64%
Venezuela	Google	96.09%
Russian Federation	Yandex RU	47.87%

Source: Stat Counter: GlobalStats

is that from a base functionality perspective, Baidu has many of the same features as Google Analytics and the same basic procedures for integrating tags. Using Baidu Analytics, you will be able to keep an eye on your site's performance, goal completion and traffic flow as well as measure your site's performance against specific keywords. The hard part will be selecting appropriate keywords. If you are targeting China, it would be beneficial for you to become familiar with Baidu as a search engine. It offers an impressive set of tracking features, including current overall search trends and search trends by interest. Like Google, Baidu tracks trends, so you may not get exact results unless you are specifically measuring keywords for your site, but tracking is a good place to start your keyword refinement. When selecting keywords, it's important to not only use the dominant language of the targeted country but also to double-check context. Certain terms like "EB-5" may only be found through alternate variations such as "EB5" or by using a different term altogether.

Other factors that can benefit your site's overseas performance are having a local domain, hosting close to your target audience, and paying close attention to the design aesthetics of the country you are targeting. Site speed matters for both user experience and SEO rankings. If you plan to host in China, you will need an Internet Content Provider license (ICP License) issued by the Chinese Ministry of Industry and Information Technology. You can apply for the license directly if you have an office in China, or indirectly by partnering with a local third party.

ADVANCED SEO:

2017 has seen a greater focus on the following elements:

- User experience: Context, readability, and overall user experience are key factors in the leading search engines'

current algorithms. Being seen as a reputable and dependable source of useful information is key to becoming a highly-ranked site, especially in highly competitive searches. Content marketing has become inseparable from SEO, and video and other media have become critical components of a well-rounded digital marketing platform.

- Quality content: Having high-quality content is essential, and that counts for visuals as well as text. Avoid relying on stock photography, and consider using photos of your team and the projects you are working on as well as your successful completed projects. Showing who you are, and what you have done, builds credibility with your audience. (Take care, however, to avoid inappropriate content such as the DHS logo, representations that look like guarantees, and project information that could be interpreted as general solicitation.) Web audiences are more tech-savvy than ever, and have high expectations for their online experiences. In fact, most visitors to your site make the decision to stay or leave in under fifteen seconds. First impressions matter. Content also matters to regulators, who routinely access public sites to check for violations.
- Social media integration: Social media visibility continues to integrate further into your digital marketing strategy, as it provides new ways to find your target audience and direct attention to your content. Without a well-thought-out strategy for creating and deploying content, as well as maintaining new relationships and engaging with the new community you are building, you may see a limited return on your social media investment. There is an ever-increasing variety of social media platforms, and they might not all work for your message and overall marketing approach. It can be helpful to work with a social media marketer who can help your team filter out the noise, and help build a network that contributes to your messaging.
- Once again, know your audience. If you are working in China you must use WeChat. However, WhatsApp is the world's most popular messaging platform with 55.6% market share. These platforms become integral to your communication strategy, as most countries we

target for EB-5 rely primarily on mobile devices.

Now that you are finding your audience, how do you keep them engaged?

Your images are tagged, and your regularly-scheduled content is engaging, relevant, and keyword-rich. Authoritative sites have started linking to yours. Now what? What else can you offer your audience to convert your visitors to leads, and your leads to investors? Unfortunately, there is not a "one-size-fits-all" answer to these questions; your core audience may have a unique set of needs and expectations. However, here are some questions to keep in mind to help you get started as you review your site:

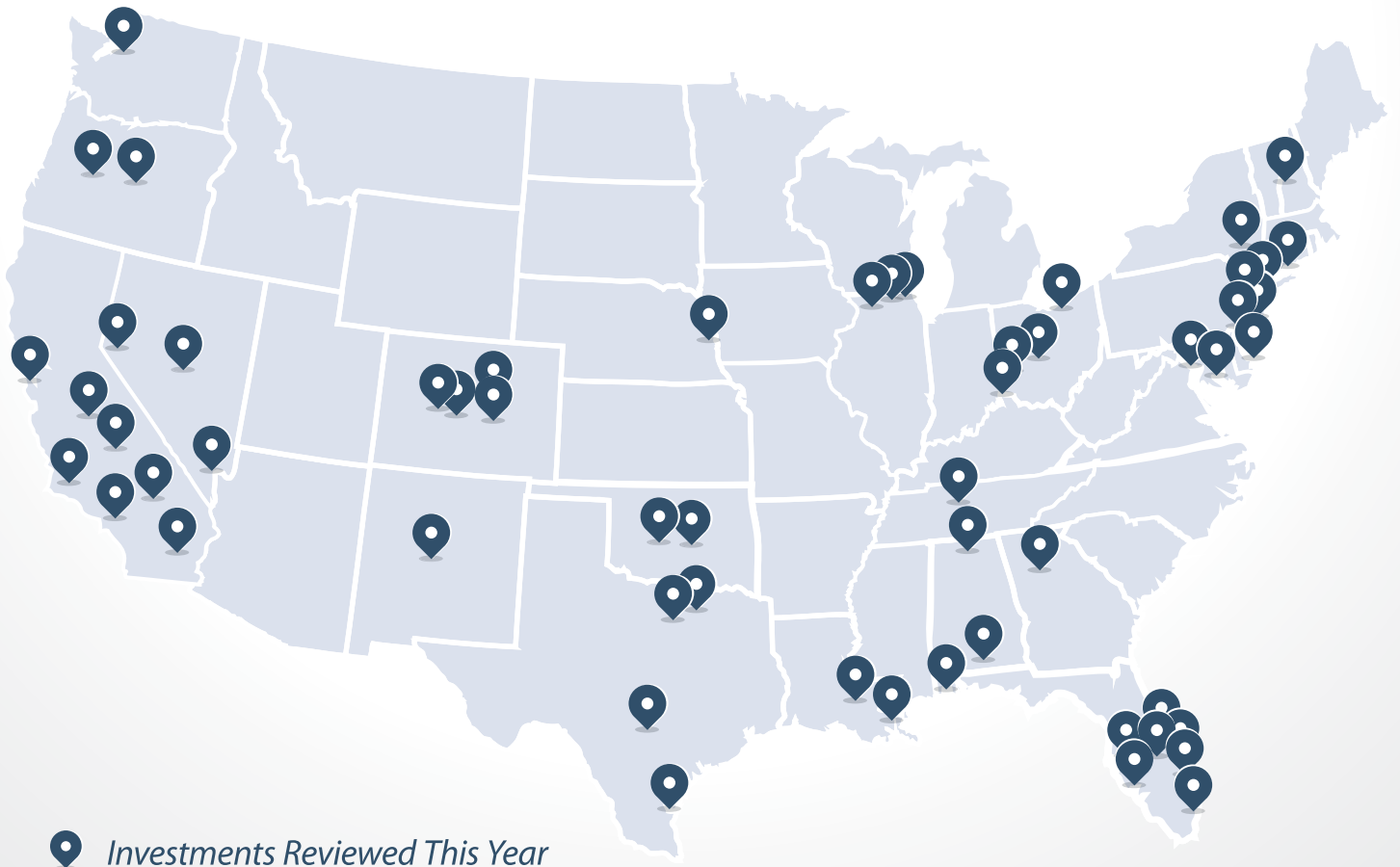
1. How are you measuring your traffic? Do you have Google Analytics or another comparable system implemented? Figuring out the flow of traffic through your site is a critical first step. You need to know where you are losing viewers, and how you can improve their experience to lead to conversions.
2. What features can you offer? What information do your clients request most? How can you improve on delivering this information? How can you provide existing clients with updates and relevant news in a way that also builds your brand?
3. How do you keep track of your leads? Do you have an easy-to-use database of leads and current clients? Can you easily locate all their associated files?
4. How are you communicating with your leads and clients? There is an art to emails—too many words, or too few, will either be caught in spam filters or cause the reader to unsubscribe. Providing information without a clear call-to-action may not help convert leads or provide value to your company.

To be on the cutting edge of SEO and Content Marketing, and to integrate the latest technical solutions, regional centers need more than just a marketing company or an off-the-shelf CRM solution. They need to understand what drives traffic to their EB-5 site based on their target audience and the goals of their web-based presence. We deal with different cultures, and what is appealing to us may not resonate with the intended audience. Do your research and make your technology investments count! ■

HOW DO I PICK A GOOD EB-5 INVESTMENT?

Due Diligence

from an investor's perspective



NAVIGATING EB-5 VISA USAGE STATISTICS: A HISTORICAL AND CURRENT PERSPECTIVE



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Thanks to the Visa Control and Reporting Division at the U.S. Department of State, IIUSA received preliminary results of the latest statistics on EB-5 visa usage in fiscal year (FY) 2017 through July. Although the data is subject to change, the statistics have empowered our analysis to shed some light on the visa capacity issue that is increasingly challenging for the entire EB-5 industry.

EB-5 VISA USAGE OVERVIEW

Yearly EB-5 Visas Usage (Issued and Adjustments of Status) - FY2008-FY2017*

Category	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017*	10-Year Total
\$1M Direct (CS)	149	282	324	230	159	243	161	64	273	249	2,134
\$500K Direct - TEA (TS)	239	410	239	152	164	227	155	92	573	377	2,628
\$1M Regional Center (RS)	0	7	1	5	6	7	1	11	13	11	62
\$500K Regional Center - TEA (IS)	1,055	3,519	1,321	3,076	7,312	8,087	10,375	9,597	9,088	8,017	61,447
Grand Total	1,443	4,218	1,885	3,463	7,641	8,564	10,692	9,764	9,947	8,654	66,271

* Through July 2017. Preliminary results provided by U.S. Department of State. Final statistics are subject to change.
Data Source: U.S. Department of State
Prepared by: Lee Li, Policy Analyst, IIUSA

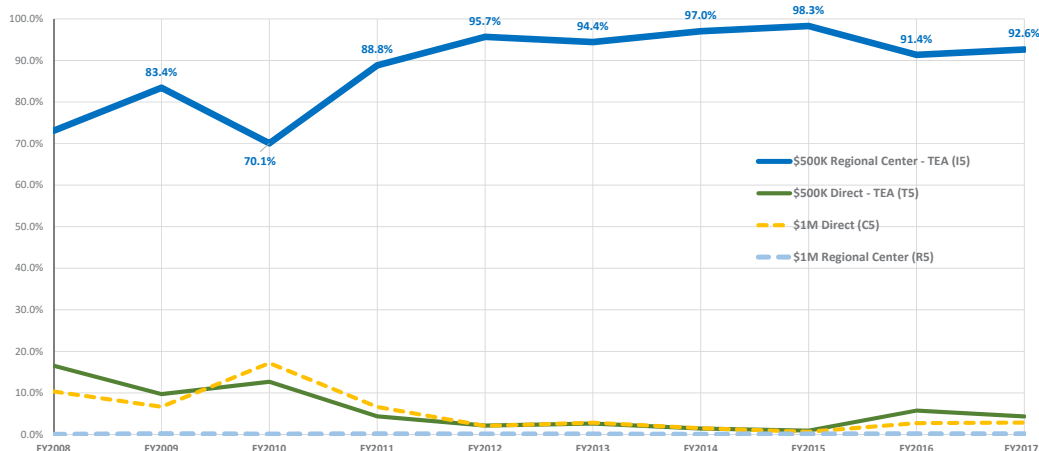
(Table 1)

As of July 2017, more than 8,650 EB-5 visas were used [via Consulate Processing overseas and Adjustment of Status in U.S. Citizenship and Immigration Services (USCIS)] in FY2017. Although the EB-5 Program generates billions of dollars in capital investment and supports hundreds of thousands of U.S. jobs, it only accounts for a small portion of the entire visa issuances every year. According to the Department of State, the annual numerical limits for EB-5 visas in FY2017 is 9,940¹, accounting for less than 3% of the annual allocations of all immigrant visa categories. In addition, since FY2008, a total of 66,270 EB-5 visas were used in exchange for more than \$20 billion² in capital investment that have stimulated a variety of economic development projects across the country and created hundreds of thousands jobs in local communities. Despite the fact that over 33,000 EB-5 visas remained unused in the last decade, the EB-5 Immigrant Investor Program has proven to be an economic development policy that utilizes global connections to generate significant impact on local economies in U.S.

In particular, the EB-5 Regional Center Program (the "Program") is the major driving force to attract foreign investment since FY2008. As illustrated by Figure 1, in the last five years, over 90% of the EB-5 visas were used by applicants (including principle investors and their eligible family members) who invested in EB-5 Regional Center projects. Moreover, the preliminary statistics shows that approximately 97% of the EB-5 visa were issued to applicants invested in an EB-5 project located in a Targeted Employment Area ("TEA"), among which Regional Center projects in TEAs account for the vast majority of EB-5 visa usage in the last 10 years.

Regional Center Projects in TEA Account for over 92% of EB-5 Visa Usage in FY2017 (as of July)

EB-5 Visa Usage (Percentage) by Investment Category (FY2008 - July, FY2017)



(Figure 1)

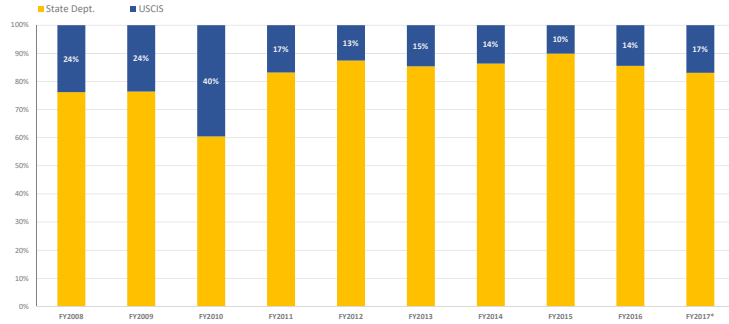
* Through July 2017. Preliminary results provided by U.S. Department of State. Final statistics are subject to change.
Data Source: U.S. Department of State
Prepared by: Lee Li, Policy Analyst, IIUSA

2 Estimated by \$500,000 per I-526 approval. IIUSA Data Report: Form I-526 (Immigrant Petitions by Alien Entrepreneurs): Quarterly Statistics and Analysis (2nd Qtr. Fiscal Year 2013-2017).

NAVIGATING EB-5 VISA USAGE STATISTICS: A HISTORICAL AND CURRENT PERSPECTIVE

As of July 2017, 17% of EB-5 Investors Obtained EB-5 Visas via Adjustment of Status in FY2017

EB-5 Visa Usage: Consular Processing (State Dept.) versus Adjustment of Status (USCIS) - FY2008-FY2017 (July):



* Through July 2017. Preliminary results provided by U.S. Department of States. Final statistics are subject to change.
Data Source: U.S. Department of State
Prepared by: Lee Li, Policy Analyst, IIUSA

(Figure 2)

Additionally, our analysis found that 17% of the EB-5 visas were issued via Adjustment of Status (“AOS”) with USCIS, a minor increase from last fiscal year. In fact, on average, only 6% of the Chinese investors obtained their EB-5 visas via AOS, while this percentage among applicants from other countries is much larger (approximately 36%). With the growth of visa usage by investors from the regions other than mainland China in the last three years, we anticipate that the percentage

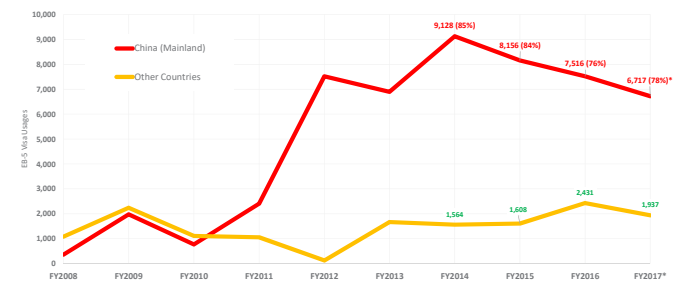
of EB-5 visa issued by AOS could continue to increase.

TOP FIVE COUNTRIES FOR EB-5 VISA USAGE IN FY2017

Overall, applicants from mainland China continue to dominate the EB-5 visa usage in FY2017, accounting for over 6,700 (or 78% of all) EB-5 visas as of July. Based on the preliminary visa usage data, Vietnam, Brazil, South

Percentage of EB-5 Visa Usage Year-over-Year Trends: Mainland China & Other Countries

EB-5 Visa Usage by Applicant's Country of Birth: Mainland China versus Other Regions by fiscal year:



* Through July 2017. Preliminary results provided by U.S. Department of States. Final statistics are subject to change.
Data Source: U.S. Department of State
Prepared by: Lee Li, Policy Analyst, IIUSA

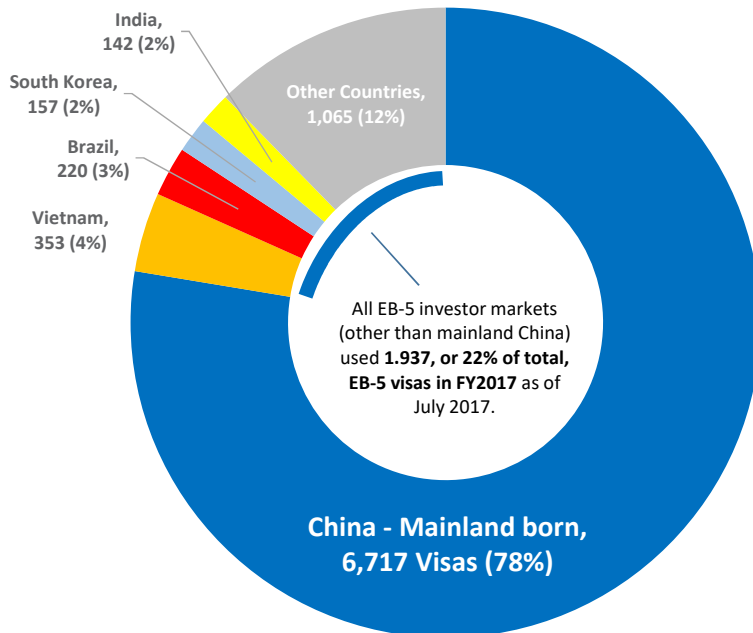
(Figure 4)

Korea, and India are also included in the top 5 countries. Respectively they used 353 (or 4%), 220 (3%), 157 (2%) and 142 (2%) EB-5 visas in FY2017 (as of July). Particularly, Brazil moved up one spot from FY2016 and replaced South Korea to rank as the third biggest country in terms of EB-5 visa usage in FY2017.

As shown by Figure 4, the percentage of EB-5 visas issued to applicants from mainland China has incrementally declined from 85% in FY2014 to about 75% in FY2016. However, we saw a small increase of 3% in EB-5 visa usage by Chinese applicants in FY2017 (as of July).

As of July 2017, 78% of EB-5 Visas are Used by Applicants from Mainland China

Here is the amounts and the market shares of EB-5 visa usage by applicant's country of birth (FY2017*)



* Through July 2017. Preliminary results provided by U.S. Department of States. Final statistics are subject to change.
Data Source: U.S. Department of State
Prepared by: Lee Li, Policy Analyst, IIUSA

(Figure 3)

MOVEMENTS OF FINAL ACTION DATE ON EB-5 VISA BULLETIN

The Visa Bulletin, published by the Department of State, determines whether the visa number is available for the applicants to proceed in their immigration processes. In May 2015, the Visa Bulletin officially showed EB-5 visa retrogression for applicants from mainland China for the first time, listing the “Final Action Date” (the “FAD”) as May 1, 2013.

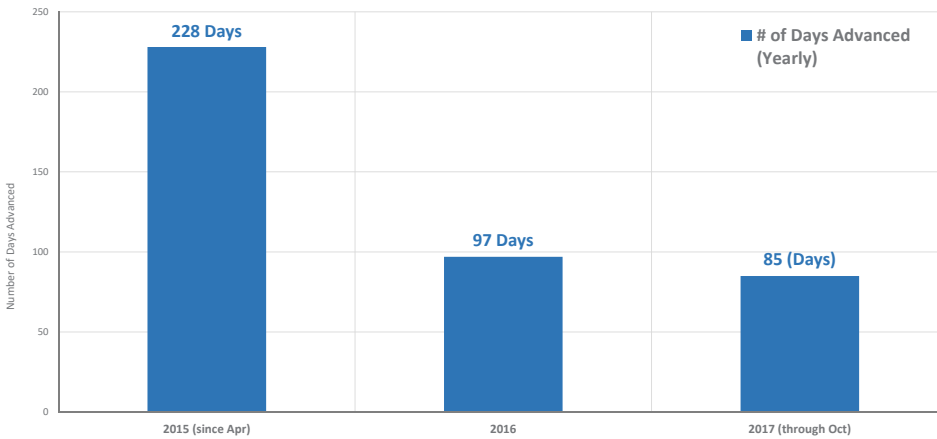
As of October 2017, the EB-5 FAD for Chinese investors on the Visa Bulletin has moved forward to June 22, 2014. That is, the FAD has advanced 417 days (or approximately 14 months) in the last 30 months. In particular, as illustrated by Figure 5, the EB-5 FAD for Chinese applicants moved forward 228 days (or 7.6 months) from May to December in 2015; while it only advanced for 97 days (or 3 months) in 2016 and 85 days from January to October in 2017.

Furthermore, Figure 6 compares the year-over-year monthly movement of the EB-5 FAD on the Visa Bulletin from May 2015 to October 2017. On average, EB-5 FAD for

NAVIGATING EB-5 VISA USAGE STATISTICS: A HISTORICAL AND CURRENT PERSPECTIVE

EB-5 Final Action Dates for Chinese Applicants Moved Forward 417 Days since April 2015 (97 Days in 2016 and 85 Days in 2017 through October)

Year-over-year comparisons of "EB-5 Final Action Days" movement on Visa Bulletins:

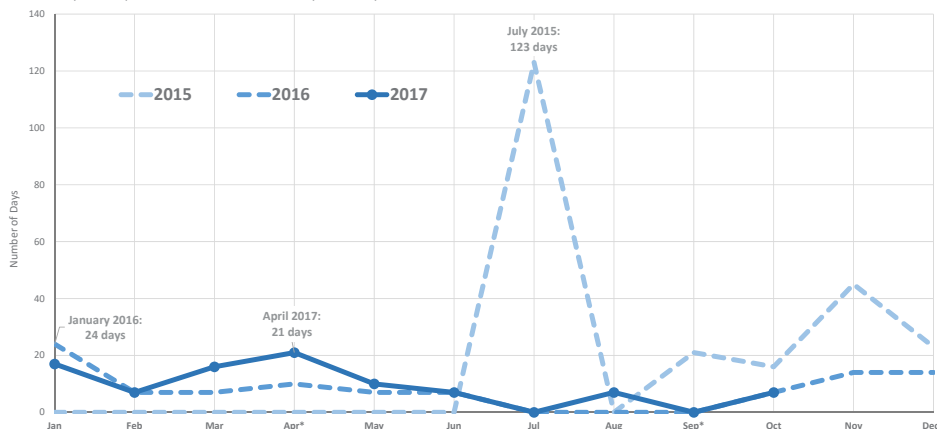


Data Source: Visa Bulletin, U.S. Department of State

(Figure 5)

On Average, EB-5 Visa Final Action Dates for Chinese Applicants Advanced 9 Days per Month in 2017 (through October), Minor Increase from 2016 (Avg. 8 Days/Month)

Year-over-year comparisons of "EB-5 Final Action Days" monthly movement on Visa Bulletins:



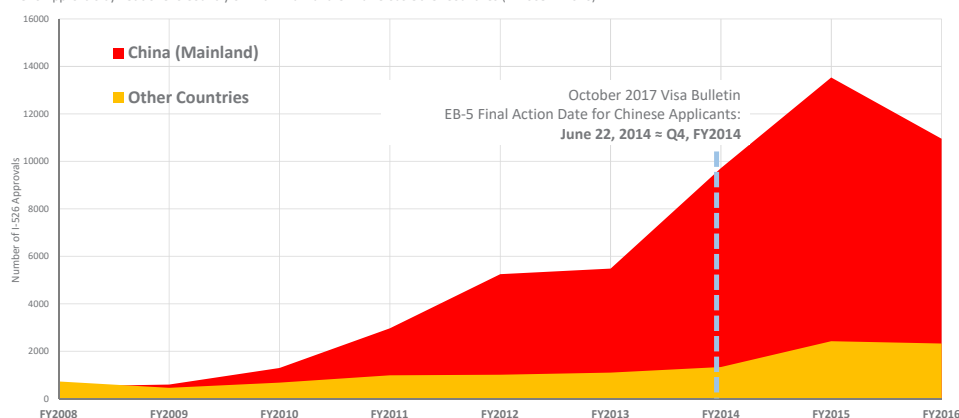
Note: "*" means EB-5 Regional Center Program was up for re-authorization by U.S. Congress in that month.

Data Source: Visa Bulletin, U.S. Department of State

(Figure 6)

From Q4 FY2014 to FY2016, Over 26,900 Chinese Principle Investors have Filed an I-526 Petition for their Commitment of Investing in an EB-5 Project

I-526 Approvals by Petitioner's Country of Birth: Mainland China versus Other Countries (FY2008-FY2016):



Data Source: U.S. Citizenship and Immigration Services (IUSA Obtained via FOIA)
Prepared by: Lee Li, Policy Analyst, IIUSA

(Figure 7)

applicants from mainland China advanced for 8 days per month in 2016; while it moved forward approximately 9 days a month in the first 10 months in 2017. Particularly, we saw the biggest advancement of EB-5 FAD in 2017 occurred in April's Visa Bulletin when it moved forward for 21 days (or three weeks) from March.

FUTURE MOVEMENT OF EB-5 FAD

Although it is impossible to predict the future movement of the EB-5 FAD on Visa Bulletin, the I-526 filing statistics by investor's country of birth can still give us a ballpark outlook of the future trends.

Based on the October 2017 Visa Bulletin, published on September 11, 2017, the EB-5 FAD moved forward one week from September to June 22, 2014. Based on the I-526 filing statistics that IIUSA obtained via Freedom of Information Act requests ("FOIA"), by the end of FY2016, we estimated that more than 26,900 investors from mainland China filed their I-526 petition with a priority date later than the current EB-5 FAD (which is June 22, 2014, as of when this article was written). That is, over 26,900 families, either with an approved or pending I-526 petition, have committed a total of more than \$13.5 billion in capital investment to various EB-5 projects across the country, but are waiting to proceed in the immigration process.

From May 2015 to October 2017, it took 30 months (or 2.5 years) to move forward the EB-5 FAD 14 months. However, as illustrated by Figure 7, due to the surge of the popularity of the Program, an even larger number of EB-5 investors from mainland China filed their I-526 petition in FY2015 to FY2016. It is anticipated they will face an even slower advancement of the EB-5 FADs.

Visa capacity has become the biggest issue that prohibits the Program from fully realizing its potential of connecting global entrepreneurs to promote local economic development in U.S. Hardly would any solution for this issue be feasible without the legislative actions by Congress. There has never been a moment more critical for the EB-5 industry to work together and proactively advocate for the Program. IIUSA is proud to continue representing its members in Washington DC by using fact-based research as well as its policy platform to work with administrative and legislative entities to address this important issue. ■

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Highlighting IIUSA's Data Resources at Your Finger Tips



IIUSA MEMBERSHIP DASHBOARD

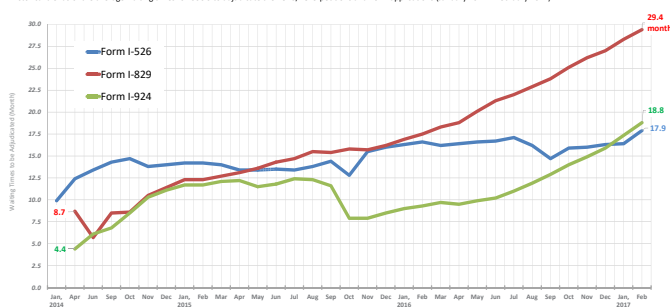


One of the most cited statistics by anyone in the EB-5 industry, especially by foreign investors, is petition processing times. In the IIUSA Member Portal, users have access to data

USA is here to help. One of the main benefits provided by the organization is the array of EB-5 data analytics and reports produced by IIUSA's Policy Analysis team. However, many members may not fully utilize the multitude of information and statistics available right at their fingertips in the IIUSA Member Portal.

I-526 & I-829 PROCESSING TIMES TABLE

Historical trends of the average waiting times for USCIS to adjudicate the I-526/I-829 petitions and I-924 applications (January 2014 - February 2017).



* Note: Processing time of January 2017 is excluded due to the potential data error.

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IIUSA Membership Committee Corner:

Highlighting IIUSA's Data Resources at your Finger Tips

reports on month-to-month processing times as well cumulative processing trends from the Program's inception to the present. This data allows members to compare processing time trends across various time periods. When USCIS changed the format from the number of months pending to "as of dates," IIUSA created a standardized data set for members to easily compare this data over time across different formats.

Similarly, IIUSA accumulates the quarterly I-526 petition filing data to analyze historical trends and the likely effects on processing times. These tools are critical for regional centers to structure their EB-5 offerings and project schedules to coincide with investors' conditional residency periods when their investment must be sustained. Likewise, immigration attorneys rely on processing time data to plan investors' nonimmigrant visa options and to calculate whether derivative children will age out or can be saved under the Child Status Protection Act.

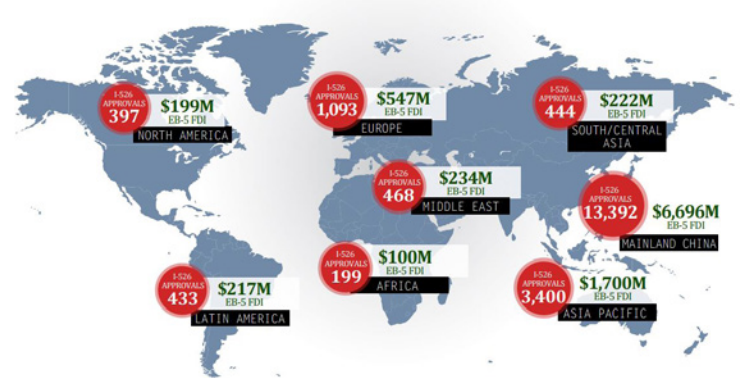
However, what really sets the IIUSA data analyses apart is not just the ability to synthesize various government data sets and analyze important trends in the industry, but also the fact that most of the data would not otherwise be publically available. For example, USCIS publishes the number of I-526 petitions filed and approved each quarter, but does not break this down by an investor's country of

birth. The government publishes the EB-5 immigrant visa numbers used by each applicant's country of birth, but this information is based on investments made at least two years earlier.

The results of IIUSA's FOIA requests include, among other things, information regarding I-526 filings and approvals by country of birth, which provides a much more accurate indicator of current demand for EB-5 visas. IIUSA's analysis of this data is particularly valuable for members who are looking to expand their marketing efforts beyond China. The number of filings from other countries is also helpful to determine effects on the China backlog and to identify other high volume countries that may also become subject to backlog. Furthermore, IIUSA compared the EB-5 visa numbers used through consular processing abroad versus those used through adjustment of status applications in the U.S., which shows that investors from certain countries are more likely to already be in the U.S. rather than abroad.

Although it is easy to get caught up in the numbers, each petition represents a significant investment into the U.S. and the creation

INVESTOR MARKET MAP



of important jobs for U.S. workers, at no cost to taxpayers. IIUSA's data analyses illustrate the major economic influence of the EB-5 program. Beyond capital contributions and job creation, detailed analysis of the total GDP and tax revenue contributed by EB-5 projects illuminates the extensive impact EB-5 investments have on local economies. This information is critical for IIUSA's advocacy efforts as legislative and regulatory changes continue to surround the EB-5 program.

If you are already a member of the organization, we encourage you to log in to your member portal account to access all of the important data resources IIUSA has to offer. If you are not yet a member or would like to learn more about membership, please visit IIUSA.org or email info@iiusa.org.

QUARTERLY STATISTICS OF FORM I-526

Fiscal Year	2013					2014					2015					2016					2017	
Quarter	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Total
Receipts	1,935	1,350	1,437	1,624	6,346	2,143	2,540	3,005	3,240	10,928	2,959	2,337	2,502	6,575	14,373	6,277	848	1,513	5,509	14,147	4,395	4,395
Growth Rate (Quarterly)	3%	-30%	6%	13%	-	32%	19%	18%	8%	-	-9%	-21%	7%	163%	-	-5%	-86%	78%	264%	-	-20%	-
Growth Rate (Over Year)	50%	-9%	4%	-14%	5%	10%	47%	52%	50%	42%	38%	-8%	-17%	103%	32%	112%	-64%	-40%	-16%	-2%	-30%	-30%
Approvals	693	833	1,001	1,172	3,699	1,453	1,429	1,133	1,100	5,115	1,652	1,978	2,941	2,185	8,756	1,257	1,864	1,660	2,851	7,632	3,346	3,346
Approval Rate	72%	79%	88%	79%	80%	64%	85%	90%	94%	80%	93%	88%	92%	85%	89%	77%	75%	79%	91%	81%	93%	93%
Growth Rate (Quarterly)	3%	20%	20%	17%	-	24%	-2%	-21%	-3%	-	50%	20%	49%	-26%	-	-41%	48%	-11%	72%	-	17%	-
Growth Rate (Over Year)	-36%	-19%	11%	74%	1%	110%	72%	13%	-6%	38%	14%	38%	160%	99%	71%	-24%	-6%	-44%	30%	-13%	166%	166%
Denials	263	220	142	318	943	811	257	125	73	1,266	133	273	268	377	1,051	372	637	433	293	1,735	236	236
Denial Rate	28%	21%	12%	21%	20%	36%	15%	10%	6%	20%	7%	12%	8%	15%	11%	23%	25%	21%	9%	19%	7%	7%
Growth Rate (Quarterly)	45%	-16%	-35%	124%	-	155%	-68%	-51%	-42%	-	82%	105%	-2%	41%	-	-1%	71%	-32%	-32%	-	-19%	-
Growth Rate (Over Year)	18%	36%	-64%	75%	-1%	208%	17%	-12%	-77%	34%	-84%	6%	114%	416%	-17%	180%	133%	62%	-22%	65%	-37%	-37%
Pending	6,095	6,074	6,506	7,131	7,131	7,363	8,302	10,375	12,453	12,453	13,526	13,731	13,129	17,367	17,367	21,988	20,235	19,406	20,804	20,804	23,250	23,250
Growth Rate (Quarterly)	*	0%	7%	10%	-	3%	13%	25%	20%	-	9%	2%	-4%	32%	-	27%	-8%	-4%	7%	-	12%	-
Growth Rate (Over Year)	*	*	*	*	42%	21%	37%	59%	75%	75%	46%	65%	27%	39%	39%	38%	47%	48%	20%	20%	6%	6%

Source: U.S. Citizenship and Immigration Services (USCIS).

Data Set: Form I-526 Immigrant Petition by Alien Entrepreneur. <<https://www.uscis.gov/tools/reports-studies/immigration-forms-data/data-set-form-i-526-immigrant-petition-alien-entrepreneur>>

***: Missing Data; *-: Not Applicable

Prepared by: IIUSA

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★ MEMBER PORTAL RECAP (DAILY)

Latest updates on government and public affairs related to the EB-5 Regional Center Program, including legislation, regulatory reforms, policy deliberations and more.

★ BLOG POSTS (DAILY)

Sign up for daily email updates from IIUSA's blog, featuring the latest updates on the EB-5 Industry.

★ INDUSTRY REPORTS (WEEKLY)

Weekly update on the latest EB-5 news and developments for industry stakeholders.

★ ADVOCACY E-NEWSLETTERS AND ALERTS (MONTHLY)

Latest updates on government and public affairs related to the EB-5 Regional Center Program, including legislation, regulatory reforms, policy deliberations and more.

★ REGIONAL CENTER BUSINESS JOURNAL (QUARTERLY)

Hard copy of IIUSA's Regional Center Business Journal – the EB-5 Industry's premier publication featuring the latest legislative updates, industry trends, quantitative analyses of program statistics and international markets.

★ CHINA E-NEWSLETTERS (QUARTERLY)

Updates sent to the world's largest EB-5 investor market featuring the latest EB-5 industry hot topics. This e-Newsletter is in Chinese.

EB-5 HISTORY

October -
December

The feature This Date in EB-5 History serves to highlight EB-5 Program milestones and changes, key pieces of legislation, publishing dates of U.S. Citizenship and Immigration Services (US-CIS) memos, IIUSA achievements and important industry events that have occurred over the past two decades. To access the memos, be sure to visit the IIUSA Member Portal.

member.iiusa.org

JULY

- July 11, 2015- National Association of Counties (NACo) Publishes Permanent Resolution in Support of the EB-5 Program
- July 22, 2009- Senate Judiciary Committee Hearing :Promoting Job Creation and Foreign Investment in the United States: An Assessment of the EB-5 Regional Center Program

AUGUST

- Aug 10, 2010- The IIUSA Membership Committee is Created

- Aug 28, 1998- Bach Memo on Invested Funds in Escrow Published

SEPTEMBER

- Sept 1, 2014- American Immigration Council Report Published "The US Immigrant Investor Program: New American Investors Making a Difference in the Economy"
- Sept 9, 2006- Adjudicators Field Manual Update: Employment Based Petitions
- Sept 14, 2011-Senate Judiciary Committee Hearing " The Investor Visa Program: Key to

Creating American Jobs"

- Sept 22, 2008-IIUSA Hosts the 1st Annual Regional Economic Development Advocacy Conference in Washington, DC

OCTOBER

- Oct 2, 2002-21st Century Department of Justice Appropriations Act of 2002
- Oct 19, 2003- Basic Pilot Program Extension and Expansion Act of 2003
- Oct 29, 1990- Immigration Act of 1990



2017 INDUSTRY EVENTS

- **10/21-10/24** Association for University Business Economic Research: 2017 AUBER Fall Conference (Albuquerque, NM)
- **10/23-10/25** 7th Annual IIUSA EB-5 Industry Forum (Miami, FL)
- **11/6-11/7** Beacon Events Investment Immigration Summit: Asia Series (Hong Kong)
- **11/7- USCIS** In-Person Stakeholder Engagement (New York, NY)
- **11/9-11/10** 2017 International Migration Summit (Guangzhou, China)
- **11/9-11/10** Beacon Events Investment Immigration Summit: Asia Series (Bangkok, Thailand)
- **12/7** CIS Ombudsman Annual Conference (Washington, DC)
- **12/8/-12/9** AILA: 2017 EB-5 Investors Summit (Las Vegas, NV)

EB-5 INDUSTRY BY THE NUMBERS

12/8: On 9/8/2017, President Trump signed H.R. 601 providing funding for the federal government and extending the EB-5 Regional Center Program until December 8th.

4,402: According to USCIS, there were a total of 4,402 I-526 petitions filed in Q3, FY2017, the highest quarterly filing volume for the fiscal year.

\$4.27 billion: Based on the I-526 approval statistics, more than \$4.27 billion in capital investment was generated by the EB-5 program in the first three quarters of FY2017.

24,621: The total number of I-526 petitions pending in USCIS as of Q3, FY2017, the highest level since the inception of the EB-5 program.

863: USCIS approved over 860 I-829 petitions in Q3, FY2017, an outstanding growth of over 200% from the last quarter, largely thanks to the new division of adjudicators and economists, created in March to focus on I-829 adjudications.

20.6, 28.4, and 19.4 months: The respective average processing times for Forms I-526, I-829, and I-924, as of July 31, 2017.

82 and 46: As of September 26, 2017, USCIS terminated 82 Regional Centers in FY2017; while it only approved 46 Regional Centers in this fiscal year - the first time in EB-5 history when regional center terminations outpaced approvals in one year.



NEW MILESTONES

OVER
1,500

I-829
Approvals

20th
I-924
Approval

OVER
4,500

Permanent Green
Cards Issued

\$125 million
Repaid to
250 Investors

