

# I-4 EB-5 Investment Fund

**I-4 EB-5 VISA INVESTMENT PROGRAM**

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# TERM SHEET

<b>Capital Investment</b>	Minimum \$500,000 USD. Capital Investment will be put in Escrow account after successful completion of the Confidential Prospective Investor Suitability Questionnaire. Capital investment will be returned if I-526 application is rejected.
<b>Manager</b>	[I-4 EB-5 Partners, LLC], a Florida limited liability company (the " <u>Manager</u> ").
<b>Investment Objective</b>	To invest in an Approved Project through equity, debt or mezzanine investments utilizing the proceeds of the offering (the " <u>Project Investments</u> ").
<b>Approved Project</b>	The Manager will identify and select an eligible project within a Regional Center approved by the U.S. Citizenship and Immigration Service (the " <u>USCIS</u> "). The investment in the Approved Project will enable the Investors to apply for visas under the EB-5 Pilot Program.
<b>EB-5 Program</b>	The EB-5 Pilot Program allows qualified non-U.S. citizens who invest a minimum of \$500,000 in a new commercial enterprise to obtain visas (and possible citizenship) if their investments in an approved Regional Center project will result in the creation of at least 10 jobs for U.S. citizens.
<b>Regional Center</b>	A Regional Center is a legal entity that coordinates foreign investment within a defined geographic area in compliance with the requirements for the EB-5 program.
<b>Investment in Approved Project</b>	The Investor will provide financing in connection with the development of the Project. It is contemplated that the Investor will make an investment in the Project in the form of equity, debt and mezzanine financing (the " <u>Project Investment</u> "), on terms to be approved by the Manager.
<b>Administrative Fee</b>	Each Investor will pay an additional \$150,000 relating to the investment (the " <u>Administrative Fee</u> "): \$75,000 non-refundable for a) legal expenses, b) accounting expenses, c) financial evaluation expenses, d) filing expenses, e) application expenses. Also, \$75,000 refundable for a) application fees for EB-5 Regional Center, b) legal fees, c) accounting fees, d) filing fees, e) printing fees, f) escrow fees. The Manager will utilize the Administrative Fee to pay all of the costs of administering the investment and all of the legal and other costs

of the Investor's visa application under the EB-5 Program. The Investor will pay \$150,000 of the Administrative Fee at the time of executing this term sheet.

**Visa Application**

Each Investor will be required prepare and file an I-526 Immigrant Petition by Alien Entrepreneur (the "I-526 Petition"). The cost of this process will be paid by the Manager on behalf of the Investor.

**I-526 Petition**

The investment has been structured with the goal that an Investor will have made an investment that qualifies for an EB-5 Visa entitling the Investor, assuming the Investor otherwise satisfies the personal criteria for an EB-5 Visa, to conditional permanent U.S. residency and, ultimately, to unconditional U.S. permanent residency, which itself ultimately gives rise to eligibility for U.S. citizenship.

The Approved Project will be located within a Regional Center that has been pre-approved by the USCIS as a qualifying developer of projects for the Pilot Program. Accordingly, in the absence of unexpected circumstances, the factors that will lead to the grant or denial of the EB-5 Visa will include personal facts and circumstances of each Investor.

The Manager has arranged for immigration attorneys to file the I-526 Petition for an EB-5 Visa on behalf of each Investor. The cost of preparing and filing each I-526 Petition will be borne by the Manager. It is anticipated that USCIS will act on each Petition within approximately eight (8) months after the completed I-526 Petition is filed, although a longer time period may apply in a particular case.

**Offering Expenses**

The Manager will pay any fees due to any placement agent or finder relating to the offering of this investment.

**Organization Expenses**

The Manager will pay all legal and other organizational expenses incurred in the formation of the investment, from the Administrative Fees to be paid by the Investors.

**Other Expenses**

The Manager will bear all of the ordinary day-to-day expenses incidental to its administration of the Investment, including general overhead.

**Tax Considerations**

Each prospective investor is advised to consult its own tax advisor as to the income tax consequences of a purchaser of Interests in the investment.

**Transfers** An Investor may not sell, assign, pledge, hypothecate or otherwise transfer any Interest in the investment.

**Confidential Prospective Investor Suitability Questionnaire** Investor will complete Confidential Prospective Investor Suitability Questionnaire. See Appendix A

**Escrow Account** All investment proceeds will be held in escrow by an escrow agent to be appointed by the Manager.

**Investment Timeline** See Appendix B.

**Risk Factors** See Appendix C.

Signed, sealed and delivered in the presence of:

**Investor:**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date** \_\_\_\_\_  
**Signed:** \_\_\_\_\_

**I-4 EB-5 Partners LLC**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date** \_\_\_\_\_  
**Signed:** \_\_\_\_\_

# Appendix A

## CONFIDENTIAL PROSPECTIVE INVESTOR SUITABILITY QUESTIONNAIRE

The attached Questionnaire (the “Questionnaire”) has been prepared for potential investors.

The Interests are not being registered under the Securities Act of 1933, as amended (the “1933 Act”) or under any state securities laws, but are being sold in reliance upon exemptions from such registration requirements. This Questionnaire will be reviewed by counsel at Rodriguez & Sanabria PLLC (the “Firm”) to determine whether or not the Prospective Investor is qualified as an “Accredited Investor” under the 1933 Act, including Section 4(2) and Regulation D promulgated there under, as well as applicable state securities laws. Accordingly, the Questionnaire must be completed by every Prospective Investor in connection with the possible purchase of the Interests. The completion and return of this Questionnaire does not obligate the Firm to sell the Interests to any Prospective Investor.

The undersigned Prospective Investor represents and warrants to the Firm that:

- (a) The information contained herein is complete and accurate and may be relied upon by the Firm; and
- (b) The Prospective Investor will notify the Firm immediately of any material change in any information provided thereby at any time prior to the acceptance or rejection of the Prospective Investor’s subscription for the Interests. If such change occurs, Prospective Investor hereby acknowledges that the Firm may review the Questionnaire in light of the new information and make a new determination as to whether or not the Prospective Investor is a suitable investor.

If additional space is needed for the response to any item, please attach an appropriate rider. All responses will at all times be kept strictly confidential. By completing and signing this Questionnaire, the Prospective Investor acknowledges that the Firm may make such use of this Questionnaire as may be necessary to establish the availability of an exemption from registration under the 1933 Act.

If you have questions concerning this Questionnaire, please contact:

Gunther Sanabria, Esq.  
Rodriguez & Sanabria, PLLC  
Attorneys at Law  
804 H Street N.E., Ste. 01  
Washington, DC 20002

(202)506-4404

Part I of this Questionnaire must be completed by all Prospective Investors.

Part II of this Questionnaire is designed to determine whether the Prospective Investor is an “Accredited Investor” under the 1933 Act. Accordingly, Prospective Investors should initial each of the applicable terms set forth in Part II. Part II must be completed by all Prospective Investors, but appropriate cross-references to responses set forth in Part II may be provided.

***PART I: GENERAL INFORMATION***

1) Name. Name of Prospective Investor: \_\_\_\_\_

2) Addresses. Address of Prospective Investors: \_\_\_\_\_

Home Address: (inc. Zip Code) \_\_\_\_\_

Home Telephone: \_\_\_\_\_

Principal Business Address: \_\_\_\_\_

Business Telephone: \_\_\_\_\_

3) Employment History. Please provide the following information:

a. Principal Business: \_\_\_\_\_

b. Current position in Principal Business: \_\_\_\_\_

c. Percentage of equity ownership held by Prospective Investors in Principal Business, if any:

\_\_\_\_\_

d. Name and address of other business in which Prospective Investor has an equity interest, along with the percentage of the equity securities owned by the Prospective Investor in said business. (Please attach separate sheet if necessary.):

\_\_\_\_\_

\_\_\_\_\_

e. Employment during the past 5 years (if other than involving the Principal Business identified above)

Employer Position Dates

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please provide the address of your principal residence. If you maintain more than one residence, please list each residence and indicate the approximate amount of time you reside at each location each year.

Additional address information: Year(s) at location: \_\_\_\_\_

4. Identification. Social Security Number of Prospective Investor (if applicable):

( \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ )

5. Voter Registration. State in which Prospective Investor is registered to vote \_\_\_\_\_  
6. Date of Birth: \_\_\_\_\_ U.S. Citizen: Yes \_\_\_\_\_ No \_\_\_\_\_  
If not a U.S. Resident, country of citizenship: \_\_\_\_\_  
If dual citizenship, country of second citizenship: \_\_\_\_\_

7. Education. Please provide the following information:

(a) Last year of education: \_\_\_\_\_  
(b) College: \_\_\_\_\_  
Degree: \_\_\_\_\_  
Year Received: \_\_\_\_\_  
(c) Graduate School: \_\_\_\_\_  
Degree: \_\_\_\_\_  
Year Received: \_\_\_\_\_

8. Marital Status. Please indicate your current marital status:

Single \_\_\_\_\_  
Married \_\_\_\_\_  
Widowed \_\_\_\_\_  
Divorced \_\_\_\_\_

9. Title. Please indicate how the Prospective Investor will hold title to the Units:

Individually \_\_\_\_\_  
Jointly \_\_\_\_\_  
As Trustee under the following trust: \_\_\_\_\_  
Other (please specify) \_\_\_\_\_

## ***PART II. PROSPECTIVE INVESTOR INFORMATION***

### **ACCREDITED INVESTOR STATUS - *Individuals***

The Prospective Investor hereby certifies as follows:

Initial \_\_\_\_\_ a. I certify that I have an individual net worth, or my spouse and I have a combined net worth, in excess of \$1,000,000.  
For purposes of this Questionnaire, “net worth” means the amount by which total assets at fair market value (including principal residence, home furnishing, and automobiles), exceed total liabilities.

Initial \_\_\_\_\_ b. I (i) had individual income, exclusive of any income attributable to my spouse, of more than \$300,000 in both calendar year 2013 and 2014, and (ii) I reasonably expect to have an individual income in excess of \$300,000 during the calendar year 2015. For purposes of this Questionnaire, “income” shall mean the Prospective Investor’s Individual Adjusted Gross Income as reported on the Prospective Investor’s Federal Tax Return, increased by (w) any deduction for long term capital gain under Section 1202 of the Internal Revenue Code of 1986, as amended ( the “Code”), (x) any deduction for depletion under Section 611 et seq. of the Code, (y)

any exclusion for interest Under Section 103 of the Code, and (z) any losses of a Partner allocated to the Prospective Investor as a limited partnership as reported on Schedule E of Form 1040.

Initial \_\_\_\_\_

c. My spouse and I (i) had joint income of more than \$300,000 in both calendar year 2013 and 2014, and (ii) reasonably expect to have joint income in excess of \$ 300,000 during the calendar year 2015.

Initial \_\_\_\_\_

d. I am a director or executive officer of the Firm.

Initial \_\_\_\_\_

e. I (i) am a relative, spouse or relative of a spouse of another Prospective Investor, and (ii) I have the same principal Residence as said other Prospective Investor. The name, address and nature of the relationship between the Prospective Investor is as follows:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Relationship: \_\_\_\_\_

**PART III: ADDITIONAL INFORMATION**

1. Experience.

(a) I consider myself to have such knowledge and experience in financial and business matters to enable me to evaluate the merits and risks of this investment.

Yes \_\_\_\_\_ No \_\_\_\_\_

(b) If the answer to 1(a) is “yes,” please set forth below (or in an attachment) the basis for your answer

\_\_\_\_\_  
\_\_\_\_\_

2. Previous Investment Experience.

(a) Have you ever had a securities or commodities brokerage account?

Yes (\_\_\_\_\_) No (\_\_\_\_\_)

(b) Have you ever before bought securities which were exempt from federal and state registration (Private Placements of Regulation D offerings)?

Yes (\_\_\_\_\_) No (\_\_\_\_\_)

(c) How many issues did you invest in during the past two years?

(\_\_\_\_\_) 0 (\_\_\_\_\_) 1 (\_\_\_\_\_) 2 or more

(d) Have you previously purchased a speculative investment?

Yes (\_\_\_\_\_) No (\_\_\_\_\_)

(e) If your answer to (a), (b) or (d) is “yes,” did you rely on a purchaser representative or other investment counsel in connection with your investment?

Yes ( \_\_\_\_\_ ) No ( \_\_\_\_\_ )

If the answer to item 2(e) is “yes,” please list the name, business address, and telephone number of the person who acts as your purchaser or investment counsel.

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3. Investment Intent. Will you acquire the Interests for your own account without any intention of transferring them to others?

Yes ( \_\_\_\_\_ ) No ( \_\_\_\_\_ )

The undersigned certifies that the answers given in this Questionnaire are complete and accurate and are furnished with knowledge that they will be relied on by the Firm. In the event that any of the information contained herein changes, the undersigned will promptly notify the Firm in writing. The undersigned further acknowledges that the Interests being sold are not being registered, that no market for the Interests currently exists and that the undersigned therefore must maintain its investment for an indefinite period of time.

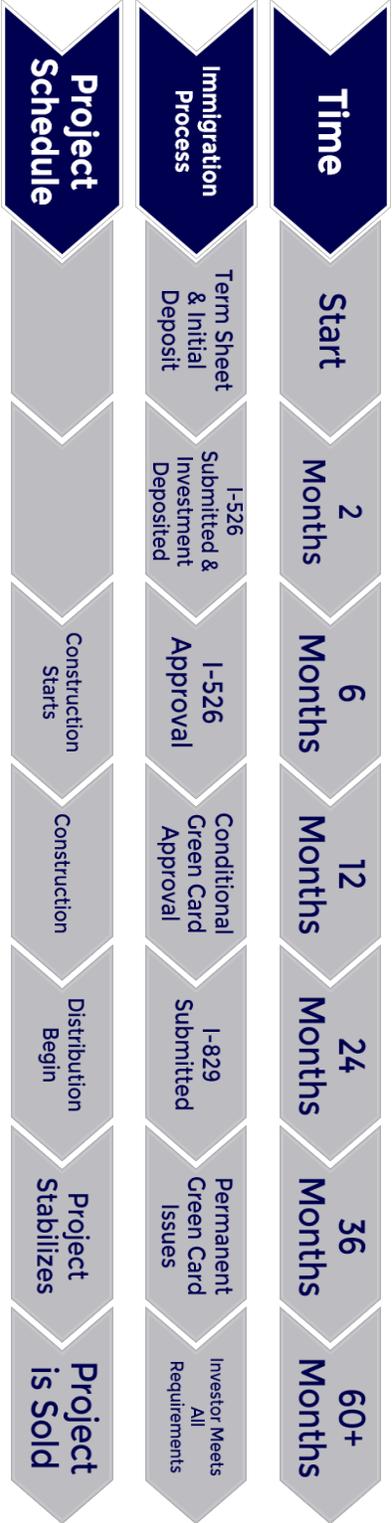
Date: \_\_\_\_\_

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Signature of Prospective Investor

# Appendix B

## TIMELINE



# Appendix C

## RISK FACTORS

*You should carefully consider the risks described below before making an investment decision. These risks could cause you to lose all or part of your investment. The risks described below are not the only ones that may affect your investment. Additional risks not presently known to the Manager or that the Manager currently deems immaterial might also impair its ability to achieve its objectives.*

### **Risks Related to Project Investments**

Each investor's Capital Contributions will be invested in the Project Investment. Each Project Investment will be subject to risks that relate to the underlying Project. Certain of these risks will be described in the Investment Summary for that Investment. In addition to these risks, investor should be aware of the following risks that relate to all Project Investments:

***Each Project Investment is expected to involve a substantial degree of risk.***

The Project Investments are expected to involve a substantial degree of risk. They will involve private companies that are either starting new projects or seeking to expand their businesses. Therefore, an investment in the project is only suitable for investors who have sufficient assets and experience to make speculative investments.

***Each investor's Capital Contributions will be allocated to a single Project Investment in one Project, which will mean that the return of the investor's Capital Contribution will be completely dependent on that Project Investment.***

In order to comply with the requirements of the Investor Visa Program, each investor's Capital Contributions will be allocated to a single Project. A consequence of this concentration is that the return of an investor's Capital Contributions will depend on the performance of that Project.

### **Risks Related to Investor Visa Program**

THE PROJECT INVESTMENT DOES NOT GUARANTEE LAWFUL PERMANENT RESIDENCE IN THE UNITED STATES OR CITIZENSHIP. THERE ARE SIGNIFICANT RISKS RELATING TO THE ABILITY OF AN INVESTOR TO OBTAIN PERMANENT RESIDENCE IN THE UNITED STATES OR U.S. CITIZENSHIP.

***The USCIS has not determined whether an investment in any particular Project Investment meets the requirements for obtaining a visa under the Investor Visa Program. Accordingly, it is possible that the USCIS may conclude that an investment in any particular Project Investment does not satisfy these requirements.***

The Manager will use commercially reasonable efforts to select Project Investments that will allow investors to meet the requirements of the Investor Visa Program, and qualify as "alien entrepreneurs" under the Investor Visa Program, which is the first step to becoming eligible for admission of the investor, his or her spouse and qualifying children as lawful permanent residents of the United States.

However, this determination will only be made by the USCIS when the investor's I-526 Petition is submitted and reviewed by the USCIS. As a result, the Manager cannot guarantee investors that they will be approved as "alien entrepreneurs" or that USCIS will approve them for conditional or unconditional permanent residency.

The USCIS will review each Project Investment at the time that each investor files its I-526 Petition. Accordingly, it is possible that the USCIS may conclude that an investment in a particular Project Investment does

not satisfy one or more of the requirements of the Investor Visa Program. In this regard, the USCIS has broad latitude in interpreting these requirements. As a result of this latitude, it is possible that the USCIS may interpret its requirements in a manner which is unexpected.

In light of the foregoing, investors should be aware that there is a significant risk that the USCIS will conclude that a particular Project Investment does not meet the requirements for the initial grant of a visa under the Investor Visa Program. If this occurs, the Manager will return to the investor his Capital Contribution and release the investor from his obligation to fund the remaining 50% of the Administrative Fee

. However, the Manager will retain the first 50% of the Administrative Fee paid by the Investor.

***Each investor must submit detailed personal information to the USCIS in order to obtain a visa under the Investor Visa Program, including detailed financial information which demonstrates the funds invested by the investor were obtained from legitimate sources (in the judgment of the USCIS). There can be no assurance that the USCIS will conclude that the information provided by an investor is adequate.***

One of the requirements of the Investor Visa Program is the submission of evidence to the USCIS that the funds invested in the business were obtained through lawful means. Under this requirement, investors may be required to submit personal tax returns, bank statements, financial statements and other written documents which demonstrate that the investor obtained his funds from legitimate sources. The USCIS has broad latitude in interpreting this requirement. As a result, it is possible that the USCIS may conclude that the documentation submitted by an investor is insufficient. The USCIS may also request documentation which the investor is unable to provide. If this occurs, an investor may be unable to obtain a visa under the program, even if the investor's investment would otherwise meet the requirement of the program.

***In order to obtain a conditional permanent resident status, each investor will also need to fulfill the other requirements imposed by the USCIS on all applicants for green cards, such as the absence of any prior criminal convictions.***

The grant of an investor's I-526 Petition does not guarantee that the investor and his qualifying family members will be granted lawful permanent residence. The grant of such immigration status is dependent, among other things, upon the personal and financial history of each applicant. Any one of the several government agencies may determine, in its discretion, that an applicant for lawful permanent residence is excludable from the United States.

Persons applying for lawful permanent residence must demonstrate that they are admissible to the United States. There are many grounds for inadmissibility, including grounds under the Immigration Act, the Antiterrorism & Effective Death Penalty Act of 1996 and the Illegal Immigration Reform & Immigrant Responsibility Act of 1996.

Examples of aliens who are not admissible include the following:

- persons who are determined to have a communicable disease of public health significance;
- persons who are found to have, or have had, a physical or mental disorder and behavior associated with the disorder which poses or may pose, a threat to the property, safety, or welfare of the alien or of others, or have had a physical or mental disorder and a history of behavior associated with the disorder, which behavior has posed a threat to the property, safety, or welfare of the immigrant alien or others, and which behavior is likely to recur or to lead to other harmful behavior.
- persons who have been convicted of a crime involving moral turpitude (other than a purely political offense), or persons who admit having committed the essential elements of such a crime.

- persons who have been convicted of any law or regulation relating to a controlled substance, admitted to having committed or admits committing acts which constitute the essential elements of same;
- persons who are convicted of multiple crimes (other than purely political offenses) regardless of whether the conviction was in a single trial or whether the offenses arose from a single scheme of misconduct and regardless of whether such offenses involved moral turpitude;
- persons who are known, or for whom there is reason to believe, are, or have been, traffickers in controlled substances;
- persons engaged in prostitution or commercialized vice;
- persons who have committed in the United States certain serious criminal offenses, regardless of whether such offense was not prosecuted as a result of diplomatic immunity;
- persons excludable on grounds related to national security, related grounds, or terrorist activities;
- persons determined to be excludable by the secretary of state of the United States on grounds related to foreign policy;
- persons who are or have been a member of a totalitarian party, or persons who have participated in Nazi persecutions or genocide;
- persons who are likely to become a public charge at any time after entry;
- persons who were previously deported or excluded and deported from the United States;
- persons who by fraud or willfully misrepresenting a material fact, seek to procure (or have procured) a visa, other documentation or entry into the United States or other benefit under the Immigration Act;
- persons who have at any time assisted or aided any other alien to enter or try to enter the United States in violation of law;
- certain aliens who have departed the United States to avoid or evade U.S. Military service or training;
- persons who are practicing polygamists; and
- persons who were unlawfully present in the United States for continuous or cumulative periods in excess of 180 days.

***Investors will be entitled to a refund of their investments after their I-526 Petitions are approved and projects are completed and recapitalized or sold.***

Following the approval of an investor's I-526 Petition, the investor and his qualifying family members must timely apply for an immigrant visa or adjustment to conditional permanent resident status. As part of this process, the investor will undergo medical, police, security and immigration history checks to determine whether the investor, his or her spouse and qualifying children are inadmissible to the United States for any of the reasons mentioned above or for any other reason. The visa or adjustment of status may be denied notwithstanding I-526 Petition approval.

After an investor's I-526 Petition is approved, the Manager will refund the investment made by the investor after the project is completed and recapitalized or sold; even if the investor and his family members are unable to obtain conditional permanent resident status.

***Even if an investor receives a visa under the Investor Visa Program, the visa only provides conditional permanent residency.***

If the investor and qualifying family members obtain lawful permanent residence status following the approval of their I-526 Petition, such status is "conditional." This means that the investor and his qualifying family members must seek removal of these conditions before the second anniversary of lawful permanent admission to the United States.

There cannot be any assurance that the USCIS will consent to the removal of conditions for an investor and his qualifying family members. If an investor fails to have the conditions removed, the investor and his family will be required to leave the United States. Even if an investor succeeds in having conditions removed, each member of his family must separately obtain removal of conditions. Failure to have conditions removed as to any family member may require that family member to depart from the United States.

There are a variety of reasons why an investor and his qualifying family members may not be able to obtain the removal of remove conditions. These include the following:

- failure to maintain the investment in a Project for the required two years, such as through some kind of distribution or return of the investor's capital, even if 10 jobs were created;
- failure of a Project to use all of the investor's invested capital in job creating activity at risk to the investor, according to technical requirements of USCIS (some of which are not clearly articulated and which could change over time), even if 10 jobs were created;
- failure of a Project to show that the investor's investment has created 10 new jobs of U.S. workers that can be allocated to such investor; and,
- even if the required 10 jobs were created, a Project's material departure from the business plan presented to USCIS in obtaining the investor's initial I-526 Petition approval.
- In addition, the Investor agrees to indemnify and hold us harmless against and from all losses, claims, damages or liabilities, joint or several (and all actions, claims, proceedings and investigations in respect thereof) to which we become subject in connection with our performance of the services described above and to reimburse us for all reasonable legal and other out-of-pocket expenses (including the cost of investigation and preparation) as and when incurred by us arising out of or in connection with any action, claim, proceeding or investigation in connection therewith, whether or not resulting in any liability (and whether or not we are a defendant in, or target of, any such action, claim, proceeding or investigation); provided, however, that the Investor shall not be liable in any such case to the extent that any such loss, claim or action is found in a final judgment by a court of competent jurisdiction to have resulted primarily or directly from our gross negligence or willful misconduct in performing the services described above. In this case, the Manager agrees to indemnify and hold the Investor harmless against and from all losses, claims, damages or liabilities, joint or several (and all actions, claims, proceedings and investigations in respect thereof) resulted primarily or directly from the Manager gross negligence or willful misconduct in performing the services described above. The reimbursement, indemnity and contribution obligations of the Investor under this paragraph shall be in addition to any liability which the Investor may otherwise have and shall survive the termination of this agreement.

***There is limited guidance for removal of conditions on permanent residency, which means the removal of such conditions is subject to uncertainty.***

USCIS and the courts have determined some standards to be followed by USCIS in some, but not all, circumstances. The Manager will seek as much information as possible from USCIS in an effort to assist investors to qualify for the removal of conditions, where good business practices permit. Nevertheless, investors should become educated about the standards that will determine eligibility of an investor and the spouse or children of the investor to achieve unconditional lawful permanent residence in the United States pursuant to the program.

***The Investor Visa Program is subject to annual quotas.***

Currently, 10,000 immigrant visas are available annually under the Investor Visa Program for alien investors and the spouses and qualifying children of these investors. Visas under the program are available on a first-come, first-served basis. If more visas are sought than are available, a delay in the availability of lawful permanent resident status will result. There is no reliable means to predict if such a delay will occur, or if it occurs, how long an investor or the spouse and qualifying children of the investor will wait before visa status for them becomes available. Also, the availability of current visas under the program may end, the number of available visas may decrease or increase, or the time it takes to acquire a visa may increase significantly. Other changes in the administration of the visa preference system may affect and even preclude the ability to obtain a visa under the program for lawful permanent residence or to adjust to lawful permanent residence.

***There are significant requirements that apply to the treatment of family members under the Investor Visa Program.***

Spouses of an investor may accompany or join an investor who has been granted conditional lawful permanent residence, provided that the investor and the spouse, deemed a derivative beneficiary, were married at the time of the investor's first admission to the United States as a conditional lawful permanent resident or following adjustment of status to lawful permanent residence. USCIS will not recognize common law marriages for the purpose of permitting a spouse to be a qualifying derivative beneficiary. If the relationship is one of common law, the "spouse" of the investor may not acquire lawful permanent resident status on account of the relationship.

Children or step-children of an investor may accompany or join an investor who has been granted conditional lawful permanent residence, provided that the investor can establish parentage or step-parentage at the time of the investor's first admission to the United States as a conditional lawful permanent resident or adjustment of status to lawful permanent residence. Failure to comply with all applicable requirements may result in the separation of a child from the investor or the investor's spouse for protracted periods, in some instances for years, while other immigration opportunities are attempted in an effort to reunite the family.

A "child" is someone under the age of 21 years who is unmarried. If a child becomes age 21 or marries before being admitted to the U.S. as a lawful permanent resident or adjusting to lawful permanent resident status, the former child, now deemed a son or daughter may not be eligible to accompany or follow to join the investor. In some circumstances, the Child Status Protection Act may assist a son or daughter to qualify as a child by reducing the deemed age of the son or daughter to less than 21 years. Failure to meet the requirements of the Child Status Protection Act may result in the separation of a son or daughter from the investor or the investor's spouse for protracted periods, in some instances for years. If more visas are sought than are available and a numerical quota delay occurs, the Child Status Protection Act may not reduce the deemed age of the son or daughter to less than 21 years of age, depending on the length of the quota backlog, and may affect the child's ability to immigrate with the investor parent.

Under some circumstances, a child who becomes 21 years of age or marries while holding conditional lawful permanent resident status may remain eligible to remove conditions. Failure to meet qualifying conditions, most of which are not within the child's control, will result in the child being placed in removal proceedings and may require the child to depart the United States.

Upon the death of an investor before conditions are removed, a spouse and qualifying children of the investor are entitled to seek removal of conditions by submission of the same evidence demonstrating compliance with required criteria that USCIS requires of an investor seeking to remove conditions. Failure of each member of the family to establish these criteria will result in the denial of the application to remove conditions, placement of the family members in removal proceedings and their mandated departure from the United States.

It is unclear under USCIS procedures if a child who becomes a son or daughter before the death of the investor is entitled to seek removal of conditions. USCIS regulations are silent on this matter. If USCIS does not extend this benefit, such a son or daughter may be denied an application to remove conditions and will be placed in removal proceedings and may be mandated to depart the United States.

***Delays in a Project may adversely affect an investor's ability to obtain permanent residency.***

Delays in the development of a Project could result in jobs not being created timely enough to meet the requirements of the Investor Visa Program. Delays in the development of a Project could also affect the number of jobs created by the Project. In either case, delays could result in inability of some or all of the investors in that Series to obtain conditional or permanent residency.

***There can be no assurance that a Project Investment will meet the job creation requirements with respect to a particular investor.***

Jobs will be allocated to each investor in the order in which such investor's permanent residency commences. An investor's permanent residency shall be deemed to commence on the date (a) that such investor's Application for Adjustment of Status (I-485) is processed by the USCIS or (b) that such investor first enters the United States on an immigrant visa. This allocation process will continue until all jobs created by each Project Investment have been allocated to investors.

***The USCIS may not accept the Project's evidence of the number of jobs created by each Project Investment.***

The projected number of jobs to be created by each Project Investment will be based on an economic impact study to be prepared by the economist retained by the Project. This study may be challenged by USCIS. The study will be based on assumptions and projections that may prove to be incorrect. In the event the projected number of jobs to be created is incorrect, then the Project Investment may not meet the job creation requirement of the Investor Visa Program. This could result in inability of some or all of the investors in that Series to obtain conditional or permanent residency.

***It is possible that the U.S. immigration laws and the regulations of the USCIS and the interpretation of these laws and regulations by the USCIS or the courts may change, and these changes may have a material adverse impact on the ability of an investor to obtain permanent residency or citizenship.***

U.S. immigration laws and the regulations of the USCIS and the interpretation of these laws and regulations by the USCIS or the U.S. courts have changed regularly in the past and are likely to change in the future. It is possible that such changes may have a material adverse impact on the ability of an investor to obtain conditional and permanent residency under the Investor Visa Program and the ability of an investor and members of his family to obtain citizenship after obtaining permanent residency. The Manager cannot guarantee such changes will not occur.

