

Mark A. Ivener[†]
David R. Fullmer[‡]
Steven Marcus

Of Counsel
Donald A. Olsen[‡]

[†] A Law Corporation
[‡] Member of Illinois and Wisconsin Bars

11601 Wilshire Boulevard, Suite 2280
Los Angeles, California 90025
Telephone: (310) 477-3000
Fax: (310) 477-2652
E-Mail: mark@usworkvisa.com
Web: www.usworkvisa.com

Associate Offices

#900 - 555 Burrard Street
Vancouver, B.C. V7X 1M8
Telephone: (604) 688-0558
Fax: (604) 443-5001

13th Floor Urbannet Otemachi Bldg.
2-2-2 Otemachi, Chiyoda-Ku
Tokyo, 100-0004 Japan
Telephone: (813) 3231-8888
Fax: (813) 3231-8881

Four Areas of Due Diligence in EB-5 Regional Center (pilot) cases: One for the attorney and 3 primarily for the client, but attorney should know and understand.

1. Attorney Due Diligence

- a. Review basics of 5 marketed Regional Center programs. Do not recommend just one program; let client choose.

EB-5 Regional Center programs:

1. Ski resort in Vermont
2. Low interest loans in Philadelphia
3. Dairy farms in South Dakota
4. Grape farms in California
5. Real estate development in Seattle



- b. Recommend client retain their own independent real estate and /or business attorney to review the Subscription Agreement and/or Purchase Agreement.
- c. Recommend client to retain their own tax attorney and financial advisor regarding profitability of the EB-5 investment and its tax consequences to the client.
- d. Recommend client visit investment project and see past investments projects.
- e. Prepare a Fee Agreement if involved in the EB-5 case regarding adjustment or consular processing. All recommendations should be stated in the Fee Agreement.
- f. Obtain State Bar opinion from Bar or Ethics attorney regarding finder's fee payment to attorney.
- g. Prepare a separate Consent to third party finder's fee payment.

2. Client Due Diligence regarding EB-5 Project

- a. What is the projected return on investment? (in prospectus)
- b. Obtain documentation of returns on past EB-5 investment projects.
- c. How many projects has EB-5 company completed?
- d. May EB-5 applicant need to invest additional money over and above \$500,000 at a later date?
- e. Does EB-5 project have U.S. investors as well as immigrant investors?
- f. Does applicant get interest on money until it is spent on EB-5 project?
- g. When is the return paid? Monthly, yearly, end of project.
- h. How is the return determined?
- i. In Subscription Agreement or Purchase Contract, is there a provision for return of money if I-526 denied? if I-829 denied?

3. Client Immigration Due Diligence

- a. How many I-526 approvals?
- b. How many I-526 denials?
- c. How many Conditional Green Card approvals?
- d. How many Conditional Green Card denials?
- e. How many Removal of Condition approvals for late 90's cases?
- f. How many Removal of Condition denials for late 90's cases?
- g. How many post 2002 law Removal filings/approvals?
- h. How many post 2002 law Removal denials?

4. Client Due Diligence of Removal of Conditions. Will Regional Center company and principals be in business in the future for Removal of Conditions?
- a. Obtain Bank reference of EB-5 general partner and/or principals
 - b. Obtain Dunn and Bradstreet on general partners and/or principals.
 - c. Any past law suits? (general partners or principals)
 - e. Any past criminal convictions? (principals)
 - f. When was Regional Center established?
 - g. How long has EB-5 company been doing business? Any previous business?
 - h. When can the investment be sold? When can client get money (\$500,000) back?
 - i. How is the amount determined?