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August 25, 2016

VIA HAND DELIVERY
AND FEDERAL EXPRESS

U.S. Citizenship and Immigration Services
Immigrant Investor Program
131 M Street, NE
Mailstop 2235
Washington, DC 20529

**RE: Vermont Agency of Commerce and Community Development Regional Center
RCW1536353984/ID1031910148**

Dear Sir/Madam:

Enclosed please find copies of the Vermont Agency of Commerce and Community Development's Form I-924A (Supplement to Form I-924) and Response to the Request for Information dated July 8, 2016.

Thank you for your assistance in this matter.

Very truly yours,



Patricia Lynn Moulton
Secretary

PLM

Enclosures

cc: USCIS (via Federal Express with original)

AM 58624008.1



August 25, 2016

We appreciate the opportunity to respond to your questions regarding the operations of the Vermont Regional Center (“VRC”). Before addressing your specific questions, we thought it would be helpful to provide a general overview of the VRC’s structure and operations. The VRC was granted regional center status by USCIS in 1997 and is owned and operated by the State of Vermont and funded through a direct appropriation from the Vermont Legislature and fees paid to the VRC by EB-5 projects.

The VRC resides within the Vermont Agency of Commerce and Community Development (“ACCD”), with its Secretary, Patricia Moulton, serving as the principal representative of the Center. ACCD is the state agency charged with coordinating, overseeing and promoting economic development in Vermont. In December 2014, the VRC involved the Vermont Department of Financial Regulation (“Department” or “DFR”) to share in the administration of the VRC and to provide enhanced oversight and monitoring of EB-5 projects. As Vermont’s financial regulator, DFR oversees the insurance, captive insurance, state banking and securities industries within the state, including the registration and examination of individuals operating within these industries. It has regulatory powers and investigates violations in these industries and brings enforcement actions when appropriate.

It is important to note that the VRC is an “umbrella” regional center that hosts EB-5 projects rather than undertaking development of such projects directly. Accordingly, the VRC provides the regional center infrastructure to approved private developers who then independently raise the EB-5 capital and undertake individual projects. The VRC enters into a Memorandum of Understanding (“MOU”) with each EB-5 project that outlines the project’s responsibilities and obligations. A copy of the current MOU is attached as Exhibit A. The VRC oversees and monitors the private developers while they engage in their project activities.

Coordination between ACCD and DFR

ACCD and DFR currently share in the operation of the VRC. ACCD generally markets the VRC and its hosted projects, makes all filings with USCIS, conducts initial due diligence of prospective projects including review of economic analyses and business plans, vetting the principals of the project and assisting in identifying and evaluating proposed sources of capital. DFR reviews and approves a prospective project’s offering documents, legal structure and investment terms and oversees compliance with the offering documents through quarterly reports and examinations. Over time, the VRC on its own initiative enhanced the oversight provisions of the model MOU that USCIS had supplied and required. One significant addition, among



others, for project approvals after 2014, was the requirement for the EB-5 project to provide annual, audited financial statements to the VRC.

The Arrangement between the VRC and its Projects

As an umbrella regional center, the VRC does not directly handle or manage any EB-5 investor dollars. Instead, such funds are transferred directly from the investors to the applicable EB-5 project hosted by the VRC.

The VRC does not file or assist in filing I-526 or I-829 petitions. This is exclusively done by the investors with information provided directly from the respective projects. As part of its oversight and monitoring, the VRC receives information from the EB-5 projects on the status of investors' USCIS petitions.

The budget for the VRC is part of the ACCD budget, which is approved annually by the Vermont Legislature as part of the overall State operating budget.

VRC Marketing

The VRC generally markets the EB-5 program as a financing alternative in Vermont and identifies all VRC EB-5 projects that are actively raising money on its website, at industry events and to inquiring prospective investors. However, the VRC does not market or promote individual projects, but rather the VRC and the EB-5 program generally.

A prospective investor that contacts the VRC directly is provided information on all active projects associated with the VRC that are raising money (see the ACCD website at: http://accd.vermont.gov/business/relocate_expand/eb5). The VRC staff makes clear that the investor must conduct its own due diligence to determine which VRC EB-5 project best suits its immigration and investment needs. When the investor has determined which project he/she wishes to invest in, the investor corresponds with that project. As the host regional center, the VRC is not the recipient of EB-5 investment dollars nor does it have direct contact with EB-5 investors once they have chosen in which VRC project they wish to invest.

Completed Projects: To date, the VRC has partnered with fifteen EB-5 projects in Vermont. USCIS has requested information on nine of these projects (the eight limited partnerships related to Jay Peak and the Seldon Technologies project) which will be discussed more fully in the responses. Of the six remaining projects, two have already been successfully completed, both creating the required jobs for their investors to obtain permanent residency.

- **Sugarbush Resort (Summit Ventures)** in Warren, Vermont was a “distressed business” project which began raising EB-5 capital in January 2007. The project was successful in attracting 40 EB-5 investors raising \$20 million in investment as part of a \$100 million project to build a new hotel, three new base lodges and expand snowmaking at the Sugarbush Mountain Resort. The project broke ground in 2009 and construction was completed after several phases in 2013. The hotel and resort continue to operate successfully. All but one investor has had their I-829 applications approved.
- **Country Home Products** in Vergennes, Vermont was a “distressed business” that manufactures various agriculture and forest products for home and commercial use. The company was successful in attracting 23 EB-5 investors to do a manufacturing plant and

equipment upgrades as well as engineering and manufacturing to improve product lines. The project retained jobs at the manufacturing facility in Vermont, which is still in operation. All 23 investors have filed their I-829 applications. Sixteen applications have been approved and the remaining seven applications are pending adjudication.

Notwithstanding the allegations pending with respect to the Jay Peak projects, it is important to understand that most of the Jay Peak projects have been completed and are in commercial operation. There are five completed Jay Peak related projects. They include:

- **Phase I (Jay Peak Hotel Suites LP):** This project involved the sale of 35 limited partnership interests in the Jay Peak Hotel Suites L.P. ("Phase I"). The total offering amount for the project was \$17.5 million. Pursuant to the Phase I PPM, the limited partnership would acquire land from Jay Peak, Inc. comprising approximately .48 acres and construct a six-floor building comprising: (1) a new hotel containing a mix of 57 one, two and three bedroom hotel suites owned by the Phase I limited partnership; and (2) a commercial unit and a service unit to provide guest services, food and beverage and recreation facilities owned by Jay Peak, Inc.
- **Phase II (Jay Peak Hotel Suites Phase II LP):** This project involved the sale of 150 limited partnership interests in the Jay Peak Hotel Suites Phase II L.P. ("Phase II"). The total offering amount for the project was \$75 million. Pursuant to the Phase II PPM, the limited partnership used the investors' funds to construct the hotel project (the "Hotel Project") and the ancillary projects (the "Ancillary Projects"). Pursuant to the Hotel Project, the limited partnership would acquire land from Jay Peak, Inc. and construct a multi-story building (the "Hotel Jay") comprising: (1) a new hotel containing 120 one, two and three bedroom suites to be owned by the Phase II limited partnership; (2) a commercial unit consisting of spa facilities, conference center, restaurants and retail owned by Jay Peak, Inc.; and (3) constructing a separate office building to contain administrative offices, grocery and a deli. Pursuant to the Ancillary Projects, the limited partnership would construct: (1) a water park; (2) a golf club house; (3) an indoor ice rink arena; and (4) a bowling center.
- **Phase III (Jay Peak Penthouse Suites LP):** Penthouse was the first EB-5 project undertaken from start to finish by Stenger and Quiros since they purchased Jay Peak. It involved the sale of 65 limited partnership interests in the Jay Peak Penthouse Suites LP ("Penthouse") for a total project cost of \$32,500,000. Penthouse was in part the product of a very successful Phase II capital raise, which had become fully subscribed, and instead of turning EB-5 investors away, Stenger and Quiros decided to expand the Phase II hotel from four to five stories. The fifth story would house the Penthouse suites, to be owned by the Penthouse investors, and which would cost approximately \$20 million to construct. Additionally, the Penthouse project involved the construction of the Mountain Learning Center, an approximately \$2.8 million project.
- **Phase IV (Jay Peak Golf and Mountain Suites LP):** This project involved the sale of 90 limited partnership interests in the Jay Peak Golf and Mountain Suites LP ("Golf and Mountain") for a total project cost of \$45 million. Golf and Mountain called for the construction of fifty vacation rental cottages as well as a wedding chapel, tram house building and a mountain top café; and

- **Phase V (Jay Peak Lodge and Townhouses LP):** This project involved the sale of 90 limited partnership interests in the Jay Peak Lodge and Townhouses LP ("Lodge and Townhouses") for a total project cost of \$45 million. Lodge and Townhouses called for the construction of vacation rental cottages and townhomes as well as a skier and summer services center with skier café, a parking garage with tennis courts and an auditorium.

Of the other four VRC EB-5 projects, Trapp Family Lodge has nearly completed its EB-5 capital raise and its project construction, and Mount Snow has successfully completed its EB-5 capital raise and has made substantial progress on its project construction. The last two projects, Southface Village at Okemo and Stowe Aviation LLC, are still in early stages of their EB-5 capital raise, as further described below.

The VRC has promoted economic development in the State of Vermont and continues to do so, notwithstanding the issues that have arisen with respect to the Jay Peak projects. Attached as Exhibit B is a letter from counsel to two Vermont EB-5 projects affirming the VRC's value in promoting economic growth in Vermont through the EB-5 program.

In response to the federal and state complaints filed in April 2016 with respect to the Jay Peak projects, ACCD, the VRC and the Receiver appointed by the federal court sent to USCIS the letter attached as Exhibit C. The letter urged favorable consideration of a number of policy considerations that they believe would help ameliorate the adverse circumstances facing many of the Jay Peak investors as a result of the alleged fraudulent activity. The VRC wants to reiterate the importance of supporting these proposals and continues to urge favorable action on the part of USCIS and others, as needed.

Response to RFI Questions

The following sets forth the specific questions posed by USCIS in its Request for Information and our responses. The VRC intends to supplement this response, if necessary, to the extent it learns of additional relevant information after the date of this response.

1. *In light of the new information that has come out since your FY2015 I-924A was submitted, please provide corrections, if needed, to the information supplied on that form by submitting a new FY2015 I-924A with the corrected information. (The corrected information should be highlighted and anything previously incorrect should be identified.)*

The I-924A includes: (1) a report of the total jobs created during the reporting period; and (2) a report of the EB-5 capital investment during the reporting period.

Jobs created: The Jay Peak projects based their reporting on the number of I-829s approved during the reporting period.¹ Accordingly, all prior I-924As filed by the VRC include job creation data based on approved I-829s and their corresponding 10 jobs. The status of approved I-829s has not changed so the VRC has no reason to amend the job creation figure in its previously filed I-924As at this time.

EB-5 capital invested: Due to the allegations contained in the state and federal civil actions against Jay Peak, the Vermont Regional Center contacted the federally appointed receiver, Michael I. Goldberg (the “Receiver”), who is supervised by the federal court in Miami, Florida, to request final reports prepared by his forensic accountants. The Receiver indicated that such reports would not be complete for several weeks. Please see the correspondence between the Vermont Regional Center and the Receiver on this subject attached as Exhibit D.

The Vermont Regional Center believes it is appropriate to wait until it receives these final reports from the Receiver before determining whether amendments to the I-924As regarding capital investment are necessary.

- a. *For example, your I-924A states that EB-5 investors invested \$17.5 million in ANC Bio Vermont GP Services, LLC. However, the Vermont complaint claims that EB-5 funds were transferred away from this entity for other purposes, including Ariel Quiros misusing and misappropriating some fund [footnote omitted].*

The \$17.5 million referenced above is in an escrow account at People’s United Bank and is in the control of the Receiver. As more fully described below, these monies are in escrow because the Department of Financial Regulation (the “Department”)

¹ This is based on one of the 2 USCIS approved job count methodologies.

required ANC Bio Vermont GP Services, LLC and Jay Peak Biomedical Research Park L.P. (“Jay Peak Biomedical”) to place any new investor funds in escrow until Jay Peak Biomedical and affiliated entities successfully completed a financial audit to be conducted by the Department’s forensic accounting firm.

The funds currently remain in escrow because Jay Peak Biomedical did not successfully complete the financial audit prior to the Department and the Vermont Attorney General filing its securities fraud complaint on April 14, 2016.

The resolution of the \$17.5 million in escrow will ultimately be made by the federal court supervising the Jay Peak receivership.

- b. *Thus, should this \$17.5 million figure be corrected, and is any explanation needed in the I-924A with regards to this?*

As noted above, the resolution of the \$17.5 million in escrow will ultimately be made by the federal court supervising the Jay Peak receivership. The court may decide to: (1) allow an EB-5 investor to transfer his or her investment to another EB-5 project in the Vermont Regional Center; (2) return the sums in escrow to the respective EB-5 investor; and/or (3) do something with the escrowed money that the Vermont Regional Center does not anticipate at this time.

Accordingly, the Vermont Regional Center will analyze the impact, if any, on its 2015 I-924A filing when the federal court makes a final determination on the disbursement of the escrowed funds and amend as necessary.²

In addition, if any of the I-924A Forms prior to FY2015 need to be corrected, please supply them in a similar fashion.

As noted above, at this time, the Vermont Regional Center has no reason to amend its previously filed I-924As.

2. *In light of the new information that has come out since your FY2015 I-924A was submitted, please provide an interim I-924A for the period from December 24, 2015 (i.e., when that form was supplied to us) – Present.*

Attached as Exhibit E is an interim I-924A for the time period between October 1, 2015 and June 30, 2016. The information in this interim report is derived from the quarterly compliance reports for the fourth quarter of 2015 and the first two quarters of 2016. A detailed overview of the VRC’s required quarterly reports and

² We note that USCIS has provided guidance on how to properly complete the I-924A. The guidance indicates that escrowed EB-5 investor funds should not be included in the calculation of EB-5 capital investment for I-924A purposes. Accordingly, the \$17.5 million that was included on the VRC’s 2015 I-924A for calculating the EB-5 capital investment of Jay Peak Biomedical Research Park L.P. (“Jay Peak Biomedical”) may have been in error. The VRC believes that one comprehensive set of amended I-924A filings, if necessary, is a more appropriate approach. Accordingly, the VRC will analyze this issue in greater detail when it receives the Receiver’s reports and more broadly examines the prior EB-5 capital investment calculations.

examinations can be found below, but generally DFR requires each EB-5 project to deliver an extensive amount of information relating to its project, including investor, financial and construction updates. Similarly, on a quarterly basis, DFR examines projects in active construction to verify information in a quarterly compliance report and offering documents.

Please note regarding the Jay Peak-affiliated projects, this interim report only includes information from the Q Burke Mountain Resort, Hotel and Conference Center, L.P. (“Burke”) project. As more fully described below, although Burke is under the Receiver’s control, it is not a defendant in either the state or federal complaint, and the VRC has confidence in these numbers for this period. However, regarding the Jay Peak-affiliated EB-5 projects that are named as defendants in the state and federal complaints, the VRC is waiting on information from the Receiver to verify the information the VRC has in possession regarding these projects.

- 3. The prior section (page 3) mentioned how the SEC and Vermont complaints allege various ways in which over \$250 million of EB-5 investors’ funds were misused and/or misappropriated. Thus, how much of EB-5 investors’ capital (i.e., each one contributed \$500,000) is now unavailable for actual EB-5 projects? Please delineate the source/components of the total. For any such capital now unavailable for actual EB-5 projects, are there any New Commercial Enterprises (NCEs) and projects which consequently now have a shortage of funds? If so, (1) please name them, (2) what is the amount of the shortage for each, and (3) what is the total project cost for each project with such a shortage?*

Along with the five completed Jay Peak EB-5 projects, there are three incomplete Jay Peak projects; however, only two of these projects have current shortages. The limited partnerships for the three incomplete projects are: (1) Burke; (2) Jay Peak Hotel Suites Stateside L.P. (“Stateside”); and (3) Jay Peak Biomedical.

As described in more detail below, the VRC does not believe Burke has a current shortage while Stateside and Jay Peak Biomedical do have current shortages.

Burke

Burke is a \$98 million project consisting of construction of four main components: (1) a hotel; (2) an aquatic center; (3) a tennis facility; and (4) a mountain bike facility. Burke raised approximately \$60.5 million that was used to construct the hotel, which was completed in February 2016. Burke is authorized to raise approximately \$37.5 million of additional EB-5 funds, while the remaining components are estimated to cost approximately \$32.3 million, according to the Burke PPM.

Accordingly, although incomplete, the VRC believes that the Burke project does not currently have a shortage and understands that it is the current intention of the

Receiver to pursue completion of the aquatic center, tennis facility and mountain biking facility with additional EB-5 investments.

Stateside

Stateside completed its \$67,000,000 offering in or about December 2012. The project consisted of building a hotel, 84 cottages, a medical center, and a guest recreation center.

Construction on the Stateside hotel project began in or about April 2013 and was opened on December 20, 2013. The Stateside hotel has operated continuously since that date.

Construction for a portion of the 84 cottages is underway with exterior work largely complete on five structures containing several dozen cottages. Approximately four other sites are in various stages of initial siting and/or foundation work.

Construction of the medical center and recreation center has yet to begin.

According to the Stateside offering documents, the cost of the 84 cottages, medical center, and guest recreation center are estimated to total \$32,039,000, excluding any construction supervision costs. Approximately \$6,000,000 has been spent on constructing the cottages. The VRC understands that all Stateside accounts currently hold less than \$60,000.

The VRC understands that the Receiver has estimated that construction for the 84 cottages, medical center and recreation center can be completed for approximately \$17.5 million. Accordingly, the shortage at Stateside is currently estimated to be approximately \$17.5 million.

Jay Peak Biomedical

The Jay Peak Biomedical project was initiated in 2012 and originally sought to raise \$110 million to construct a biomedical facility in Newport, Vermont. As of April 14, 2016, Jay Peak Biomedical had raised approximately \$83 million from 166 investors and sought to raise an additional \$27 million. Approximately \$17.5 million of the \$83 million remains in the escrow account referenced above.

The Jay Peak Biomedical PPM indicated that the \$110 million would be used as follows: (1) \$6 million for the purchase of the 7-acre parcel of land; (2) \$72,797,370 to construct and equip the facility, including the biomedical research clean rooms; (3) \$9,485,305 for “construction supervision” and \$3,161,769 for “construction supervision expenses”; (4) \$10 million for distribution and marketing rights, including intellectual property rights; (5) \$2,487,925 for other costs, including design/architecture costs, infrastructure; and (6) \$6,067,629 in

working capital. Additionally, Jay Peak Biomedical represented it would contribute \$8 million for certain infrastructure costs.

A significant shortage exists as a result of the alleged misuse and misappropriation of Jay Peak Biomedical investor funds. Based on the representations in the PPM, the project had at least \$84 million of construction work remaining; however, even if the project became fully subscribed by raising the additional \$27 million, it is estimated to have a shortage of approximately \$39.5 million.

However, the VRC understands that the Receiver does not intend to seek to raise any additional EB-5 funds or to complete the Jay Peak Biomedical project as it was originally envisioned. Rather, VRC understands that the Receiver currently intends to seek to amend the Jay Peak Biomedical business plan to contemplate another use of the investor funds on hand and funds recovered from claims against Ariel Quiros and other third parties in order to create the necessary EB-5 jobs.

Clarifying Points

Initially, it should be noted that the state and federal complaints do not allege that over \$250 million of EB-5 investors' funds were misused and/or misappropriated. Both complaints allege that \$200 million of EB-5 investor funds were misused, which includes \$50 million of funds that were allegedly misappropriated.

Further, the \$150 million of misused EB-5 investor funds includes a subset of funds that were comingled or otherwise inappropriately transferred between accounts and/or business entities but ultimately were used to complete construction of the Jay Peak EB-5 projects for the following limited partnerships: (1) Jay Peak Hotel Suites L.P.; (2) Jay Peak Hotel Suites Phase II L.P.; (3) Jay Peak Penthouse Suites L.P.; (4) Jay Peak Golf and Mountain Suites L.P.; and (5) Jay Peak Lodge and Townhouses L.P.³ The VRC understands that the Receiver is reviewing the actual uses of all EB-5 funds raised and jobs created with respect to the various Jay Peak projects and intends to seek necessary or appropriate modifications to ensure that the greatest possible number of investors obtain at least the immigration benefits of the EB-5 program.

4. *Please provide financial information which demonstrates whether each of the following entities have the ability (and resources) to ensure the Regional Center can continue to promote economic growth (including effectively run its affairs), particularly in light of the information that has been made public through the SEC and Vermont complaints: (1) the VACCD, and (2) all NCEs and Job Creating Entities (JCEs) associated with any projects*

³ Although Jay Peak ultimately completed the EB-5 funded construction, both the state and federal complaints allege Jay Peak failed to make certain contributions to various EB-5 limited partnerships. However, Jay Peak's alleged failure to make such contributions does not impact USCIS job creation as these contributions were outside of the scope of job creation.

connected to your regional center that have not yet been completed. (This would inter alia include any projects that are planned, but have not yet gotten underway, such as the facility associated with Jay Peak Biomedical Research Park, L.P.) If available, your response should include financial and/or bank statements, plus any other information which will address this.

Ability and Resources of the Vermont Regional Center

ACCD and DFR have the personnel and budgetary resources to effectively administer the VRC and promote economic growth. They do not, however, as discussed above, finance or guarantee the viability of any particular project.

VRC Personnel Resources

Since December 2014, the VRC has been jointly operated by two state agencies: ACCD, which is charged with marketing the VRC, including representing the VRC at EB-5 industry events, handling inquiries from current and prospective VRC investors, and administering filings with USCIS and DFR, which is charged with the oversight, monitoring and compliance of EB-5 projects that associate with the VRC.

ACCD's Commissioner of the Department of Economic Development and its General Counsel generally administer and oversee ACCD's functions for the VRC. ACCD's Commissioner of the Department of Economic Development and its General Counsel generally administer and oversee ACCD's functions for the VRC. ACCD has maintained an EB-5 Director in the Department of Economic Development to conduct day to day operations of marketing the VRC, pursuing additional projects, filing all required reports and generally promoting the VRC. On July 20, 2016, following the resignation of ACCD's prior Director of its EB-5 program, Joan Goldstein, Commissioner of the Department of Economic Development, assumed these duties. ACCD's functions are ultimately overseen by its Secretary who is the principal representative of the VRC. In addition, the current Secretary of ACCD has been appointed interim President of the Vermont Technical College, effective September 9 and Lucy Leriche, currently Deputy Secretary of ACCD, has been appointed Secretary of ACCD, as of that date.

DFR's functions for the VRC are generally administered by two compliance examiners whom are overseen by a director and the Deputy Commissioner of the Securities Division. DFR's EB-5 compliance functions are ultimately overseen by DFR's Commissioner.

VRC Financial Resources

ACCD is an agency of the State of Vermont and receives its annual funding, including amounts allocable to the VRC, through the annual budget process. Both ACCD and the VRC have sufficient budgetary appropriations from the Vermont

Legislature to fund all of its operations, including personnel costs and third party professionals, as needed.

The State of Vermont Comprehensive Annual Financial Report provides greater detail as to the budgetary resources of ACCD and DFR:

http://finance.vermont.gov/sites/finance/files/pdf/cafr/2015_CAFR_FINAL.pdf.

Information regarding the overall state budget (DFR's budget starts at B. 226 and ACCD's starts at section B. 800) is available at:

<http://legislature.vermont.gov/assets/Documents/2016/Docs/ACTS/ACT172/ACT172%20As%20Enacted.pdf>.

Jay Peak Projects

The following are the three Jay Peak affiliated projects currently under the Receiver's control and that are not complete:

(1) Stateside

As mentioned above, construction of the Stateside project is incomplete. The VRC understands that the Receiver currently estimates the cost to complete construction to be approximately \$17.5 million. The VRC further understands that, while the Stateside project currently has less than \$60,000 cash on hand, it is the Receiver's current intention to pursue completion of construction of the 84 cottages and the medical center and recreation center with funds recovered from claims against Ariel Quiros or other third parties.

(2) Jay Peak Biomedical

Approximately \$17.5 million of Jay Peak Biomedical funds remain in escrow, but any use of those funds is controlled by the federal court handling the receivership.

However, the VRC understands that the Receiver does not intend to seek to raise any additional EB-5 funds or to complete the Jay Peak Biomedical project as it was originally envisioned. Rather, VRC understands that the Receiver currently intends to seek to amend the Jay Peak Biomedical business plan to contemplate another use of the investor funds on hand and funds recovered from claims against Ariel Quiros or other third parties in order to create the necessary EB-5 jobs.

The VRC will provide USCIS updates, as appropriate, regarding Jay Peak Biomedical.

(3) Burke

Burke is a \$98 million project consisting of construction of four main components: (1) a hotel; (2) an aquatic center; (3) a tennis facility; and (4) a mountain bike

facility. Burke raised approximately \$60.5 million that was used to construct the hotel, which was completed in February 2016. Burke is authorized to raise approximately \$37.5 million of additional EB-5 funds, while the remaining components are estimated to cost approximately \$32.3 million, according to the Burke PPM.

Accordingly, although incomplete, the VRC believes that the Burke project does not currently have a shortage and understands that it is the current intention of the Receiver to pursue completion of the aquatic center, tennis facility and mountain biking facility with EB-5 investments.

Mt. Snow

Mt. Snow has raised all of the necessary funds to complete its EB-5 projects; however, considerable delays in USCIS's I-526 approvals have caused the projects to fall behind its construction schedule.

This project has two phases. Phase one is the Westlake Reservoir, a snow-making pond with a capacity of 120 million gallons, and associated piping and pump-houses to update and improve the snow-making capabilities of Mt. Snow. This phase also includes trail upgrades and expansion and a new ski lift.

The cost to complete this phase is estimated to be \$38 million. Mt. Snow will pay for construction with \$30 million from EB-5 investors (all such funds have been raised and are currently in escrow) with an additional \$8 million to be provided through owner equity. The owner has already contributed its \$8 million in order to commence construction. Much of Phase 1 is complete.

Phase two is the construction of a new, three-story ski lodge consisting of 36,000 square feet and a restaurant, cafeteria and bars with seating for over 600 people. It will also include a retail and convenience store and sales outlet for lift tickets and rentals.

The cost to complete this phase is estimated to be \$28 million. Mt. Snow will pay for construction with \$22 million from EB-5 investors (all such funds are raised and in escrow) with an additional \$6 million to be provided through owner equity.

In May 2016, USCIS approved Mt. Snow's exemplar; however, construction is behind schedule as the terms of Mt. Snow's escrow requires USCIS to approve at least one I-526 application before escrow can be broken. USCIS has yet to approve an I-526 application related to the Mt. Snow project. On August 22, 2016, Peak Resorts, Inc., the parent of Mt. Snow, announced that it is proposing to sell \$20,000,000 of its stock, in part because of the delays in obtaining the USCIS approval necessary for the release of the EB-5 funds from escrow.

Trapp Family Lodge (“Trapp”)

Redacted per §317(c)(7)&(9)

[REDACTED]
The business consisted of the existing hotel, with plans to construct a state of the art brewery for the Trapp Family label and an attached “Beer Hall” theme restaurant.

The construction costs total approximately \$22 million of which approximately \$19 million have been raised through EB-5 investment with the Trapp Family developer contributing \$2 million. With these funds, the developer constructed the brewery which is operational and is constructing the restaurant which is slated to open in September 2016. Trapp is actively seeking to raise the remaining \$1 million from EB-5 investors to complete the financing of the restaurant.

South Face Village (“SFV”)

The SFV project is located adjacent to the Okemo Mountain Resort in Ludlow, Vermont. The project includes the development of 20 duplex units, 56 condominium units, 10 single family homes, as well as construction of a base lodge, a ski lift and trails, and related infrastructure, such as roads, water, and sewer.

The projected cost for the project is \$136 million and the anticipated sources of funding include: \$34 million in EB-5 capital, \$4.43 million in developer equity, \$2.0 million in land purchase financing, \$19.33 million in a subordinated construction loan, \$31.39 million in lender financing, and \$44.85 million to come from the sale of the constructed units.

Redacted per §317(c)(7)&(9)

[REDACTED]
[REDACTED]
complete the project. To date, the ski lift and first set of condominium units have been constructed using owners’ equity. The first set of condominium units has also been completely sold and SFV is working on selling and constructing the next set of condominium units. SFV is also awaiting exemplar and I-526 approvals.

Stowe Aviation (“SA”)

The SA project is located at the Morrisville-Stowe State Airport in Stowe, Vermont and includes construction of a new terminal along with new and expanded aircraft hangars, a U.S. Immigration and Customs clearance service, a flight academy, an aircraft maintenance and management facility, a restaurant, and a charter service.

Redacted per §317(c)(7)&(9)

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

The federal and state grants have funded a runway expansion, which has added services to additional flights on private planes as well as a commuter air service operating at the airport as a result of the runway expansion and SA's activities.

**Redacted per
§317(c)(7)&(9)**

[REDACTED]

5. *With regards to the biomedical facility project associated with Jay Peak Biomedical Research Park, L.P., the previous section mentioned the SEC and Vermont complaints' allegations that the project had incurred various misrepresentations, funding issues, and schedule problems. (See p. 3-4 above.) Given these alleged misrepresentations and funding and schedule problems, do you realistically expect this project to proceed and be undertaken? Please provide sufficient detail with regards to your response. Also, do you still intend to raise additional funds for this project and if so, why, and how much?*

As mentioned above, approximately \$17.5 million of Jay Peak Biomedical funds remain in escrow, but such funds are subject to control of the federal court supervising the receivership.

However, the VRC understands that the Receiver does not intend to seek to raise any additional EB-5 funds or to complete the Jay Peak Biomedical project as it was originally envisioned. Rather, VRC understands that the Receiver currently intends to seek to amend the Jay Peak Biomedical business plan to contemplate another use of the investor funds on hand and funds recovered from claims against Ariel Quiros or other third parties in order to create the necessary EB-5 jobs. The VRC and Receiver have requested a meeting with USCIS officials to discuss amendments to the Jay Peak Biomedical business plan but have not received a response. See also attached Exhibit C.

6. *As noted above in the Background section, the SEC complaint mentioned that the Stateside Phase VI (EB-5) offering was fully subscribed, but the Defendants have only built the hotel. Given that the full EB-5 funding was obtained, but much work remains to be done (i.e., on the vacation rental cottages, a guest recreation center, and a medical center),*
- a. *do you realistically anticipate the hotel to open for operations and the other facilities to be built?*

Stateside completed its \$67,000,000 offering in or about December 2012. The project consisted of building a hotel, 84 cottages, a medical center, and a guest recreation center.

Please note, the Stateside hotel was constructed and has been continuously operating since December 20, 2013. Further, construction for a portion of the cottages was underway with exterior work largely complete on five structures containing approximately 36 cottages. Approximately four other sites are in various stages of initial siting and/or foundation work.

Further, the VRC understands that it is the Receiver's current intention to pursue completion of construction of the 84 cottages and the medical and guest recreation centers. The Receiver currently estimates it will cost approximately: (1) \$12 million to complete the cottages; (2) \$4.1 million to complete the recreation center; and (3) \$1.4 million to complete the medical center. The Receiver is reportedly hopeful that he will be able to recover enough funds from claims against Ariel Quiros, third parties or elsewhere in order to attain completion of this project so all investors will be eligible to have their I-829 petitions approved.

- b. *Do you expect there to be sufficient job creation to support Form I-829 (i.e., permanent residence status) approvals for all the EB-5 investors, or if not, for how many?*

A significant number of EB-5 jobs were created through construction and operation of the Stateside hotel and partial construction of the 84 cottages. As noted above, the Stateside hotel is complete and has been in operation since 2013. In addition, a number of the cottages have been constructed.

The VRC understands that the Receiver currently intends to pursue completion of construction of the 84 cottages and the medical and guest recreation centers so all investors will be eligible to have their I-829 petition approved.

Accordingly, the Vermont Regional Center believes there will be sufficient job creation to support Form I-829 approvals for all the Stateside EB-5 investors.

- c. *How many jobs do you expect this project to create (i.e., for EB-5 job creation purposes)?*

Based on the construction and operation of the Stateside hotel and anticipated completion of the 84 cottages and the medical and recreation centers, the Vermont Regional Center expects the Stateside project to create at least approximately 1,340 jobs for EB-5 job creation purposes.

7. *The prior section also discussed recent court judgments in favor of Linda West against Seldon Technologies. (See page 4.) If you have any further information on this beyond what is noted in the articles referred to above, please provide that. In terms of her claims*

and the judgments mentioned in the articles, do you believe that EB-5 funds at Seldon were indeed used for purposes other than job creation, and if so, how much? Please explain.

Context of Ms. West's Jury Verdict

As a preliminary matter, it is important to understand the context of the legal proceeding so the recent judgment can be properly evaluated.

Linda West had been employed as an accountant by Seldon Technologies, Inc. ("Seldon" or "STI") for nine years before she was terminated in March 2013.

In 2010, a Seldon subsidiary, Seldon Clean Water Products (Asia) L.P. executed a memorandum of understanding with ACCD to associate with the VRC. That same year Seldon began soliciting EB-5 investment under a private placement memorandum eventually raising \$5 million from 10 EB-5 investors. During 2012, South Africa-based telecommunications giant Econet Wireless ("Econet") began investing in STI, eventually taking an 85% stake in the company and in May 2012 Econet installed a new chief executive officer at STI.

STI initially vigorously defended the legal proceeding brought by Ms. West but, in September 2015, STI ceased operating. Further, in December 2015, STI: (1) sold the entirety of its assets at auction to satisfy its debts; (2) lacked any insurance coverage to satisfy any judgment associated with Ms. West's case; and (3) lacked funds to pay legal fees. Accordingly, in December 2015, STI's attorneys filed a motion to withdraw from the case, which was granted in February 2016.

Nevertheless, Ms. West's attorney continued the lawsuit against the unrepresented corporate shell with no assets and moved for default judgment, which was granted in May 2016, and damages were awarded on June 30, 2016. Since STI was not defending itself, the merits of Ms. West's allegations were not determined in a contested proceeding.

Actions of the Vermont Regional Center

Following the verdict, DFR initiated an independent investigation into the allegations. To date, DFR's investigation located an independent accountant's report prepared for STI by the Braver P.C. accounting firm (n/k/a Marcum LLP) dated October 23, 2013 (the "Report"). The Report appears to be in direct response to Ms. West's allegations.

The Report traces the \$5 million of EB-5 investor contributions into the applicable STI bank account. The Report then examines 606 expenditures made between with EB-5 funds between July 1, 2010 and October 15, 2013 and compares those expenditures to the representations made in the private placement memorandum. The Report concludes that the expenditures for which there were supporting

documentation corresponded to one of the allowable expenditure categories in the private placement memorandum. A copy of the Report is attached as Exhibit F.

The Report, however, is not conclusive as it does not trace the entirety of the \$5 million EB-5 investor funds raised by STI. Accordingly, DFR is proceeding with its own independent investigation to determine the accuracy of the Report and independently verify the appropriate expenditure of the total \$5 million of EB-5 funds raised.

Therefore, at this time, the VRC has not discovered any evidence suggesting that EB-5 funds at STI were used for purposes other than job creation. The VRC will continue to update USCIS as DFR's investigation proceeds.

8. *According to USCIS records, 7 EB-5 investors in this project are currently awaiting our adjudication of their Form I-829 petitions for permanent residence status, 2 I-829s have been approved, and 1 EB-5 investor has not yet submitted his/her I-829 Form yet (although his/her I-526 Form was approved). Given that (1) Seldon has shut down, as noted in your FY 2015 I-924A submission [footnote omitted], and (2) these court decisions, how many jobs were created by this project (i.e., for EB-5 job creation purposes)? Please explain with sufficient detail so that we can understand your view.*

Court Decision: As discussed above, the court decision was a default judgment against a legally non-existent defendant that did not determine the merits of Ms. West's claims during the course of a brief trial to determine damages. Further, preliminary findings of DFR's investigation refute Ms. West's claims; specifically, DFR is in possession of the Report prepared by the independent accounting firm that examined 606 transactions made with EB-5 investor funds and did not find any misuse or misappropriation. DFR is still actively investigating the allegations and will update USCIS of its findings.

Seldon Closure: Although Seldon ceased operations in September 2015, the relevant EB-5 investments were made and the requisite jobs were created before this date.

Specifically, Seldon raised \$5 million of EB-5 investment and by December 1, 2014 approximately 96% of these funds had been deployed for project purposes.⁴ Additionally, Seldon's economic impact report determined that 99 full-time permanent jobs had been created between 2010 and 2014 as a result of these EB-5 investments. These 99 jobs support the I-829 applications filed by nine of the ten Seldon EB-5 investors. VRC understands that the one investor who failed to file her I-829 application did so for reasons that are specific to her and not the project generally.

For a more detailed account of EB-5 expenditures and job creation, please see Seldon's economic impact report attached as Exhibit G.

⁴ The VRC understands that the remaining 4% had been deployed by March 1, 2015.

9. *With regards to all EB-5 investors whose funds were alleged to be misused or misappropriated (as described in detail above), have they been informed of this by VACCD, the Receiver (Michael Goldberg), or anyone else connected to your regional center? If so, by whom and when?*

On April 14 2016, the day the State’s action was filed and the SEC’s action was unsealed, ACCD and DFR held a press conference with the Governor of Vermont and the Vermont Attorney General and detailed the alleged fraud. The press conference and the alleged fraud were widely covered in EB-5 publications – domestic and foreign – as well as national media publications.

The same day as the press conference, DFR published a website (<http://www.dfr.vermont.gov/jay-peak-eb-5-lawsuit>) dedicated to informing investors about details of the fraud allegations, including copies of the state and federal court filings and answers to some frequently asked questions. Once it was published, DFR also linked to the Receiver’s website (<https://jaypeakreceivership.com>). ACCD also published a website (<http://accd.vermont.gov/>) with links to both DFR’s and Receiver’s sites.

ACCD and DFR have also fielded emails and phone calls from hundreds of investors and their attorneys with questions; answering and/or directing the investors’ questions to the Receiver when appropriate.

It is the VRC’s understanding the Receiver initially emailed all investors for which he had email contact information to inform them of the website where all future information would be filed. The Receiver has established a toll-free investor “Hotline” and an email address for general inquiries, which are found on the Receiver’s website. The website includes court filings, correspondence with investors and key judicial decisions. Further, considering Jay Peak investors are from all over the world, the Receiver’s website is available in seven languages. The Receiver’s website also includes a registration form for investors to complete to more easily facilitate future communications. The Receiver informed the VRC that approximately 563 investors (out of approximately 804) have registered to date. The VRC understands that the Receiver intends to make direct mailings to investors for information regarding other important events.

10. *According to our records with regards to your regional center, USCIS received the most recent Form I-526 petitions filed by alien investors under Jay Peak Biomedical Research Park, L.P. and Q Burke Mountain Resort, Hotel and Conference Center, L.P. on April 18, 2016 and May 24, 2016, respectively. Please indicate when the Regional Center became aware of the alleged diversion of investors’ funds in relation to (1) any investigative action(s) taken⁵, and (2) the Regional Center’s marketing activities for the projects. Please*

⁵ This includes, but is not limited to, actions by law enforcement and regulatory agencies, to include the Vermont Department of Financial Regulation.

provide evidence regarding what steps, if any, the Regional Center takes to engage in monitoring and oversight of the projects that it sponsors.

ACCD's concerns regarding the Jay Peak Biomedical project evolved over time, beginning in late 2013 until the SEC and Vermont fraud actions were filed in April 2016. As a result of these concerns, ACCD increased its attention on the adequacy of the Jay Peak Biomedical disclosures to investors, suspended fundraising activity for that project, required funds raised for that project as well as the Burke hotel project to be placed in escrow, involved DFR to bring its regulatory and enforcement authority to bear, and cooperated, along with DFR, with the SEC in its investigation. These actions resulted in the filing of the fraud cases, which prevented the improper conduct from continuing, resulted in the appointment of the Receiver and focused efforts on protecting the interests of investors.

ACCD Actions Regarding Jay Peak Biomedical

ACCD directed significant attention to the offering documents and the manner in which the Jay Peak Biomedical project was marketed. ACCD paid particular attention to the accuracy of marketing materials, which led to a focus on the Private Placement Memoranda ("PPM"), as well as the Business and Marketing Plans, and the Job Creation analysis.

By late 2013, ACCD began having concerns about whether all material information about the Jay Peak Biomedical project was being disclosed to investors.⁶ In June 2014, ACCD engaged outside counsel for expert advice on securities laws in preparation for requiring updates to the PPM on the Jay Peak Biomedical project to ensure all material information had been disclosed. ACCD made numerous requests to Stenger and Quiros for information and clarification of a number of issues raised by ACCD's outside counsel.

ACCD then froze all future solicitation of investors for the Jay Peak Biomedical project subject to having Jay Peak Biomedical's counsel provide an unqualified opinion that a new PPM provided all necessary disclosures. When fundraising for the Jay Peak Biomedical project was allowed to resume in April, 2015, the VRC required that all new funds raised for Jay Peak Biomedical be held in an escrow account to be released only when certain conditions were met. Specifically, Jay Peak Biomedical and its affiliated entities were required to complete a satisfactory financial review conducted at DFR's direction by Cohn Reznick. To date, the conditions for release have not been met and the amount held in the escrow account established for Jay Peak Biomedical remains at approximately \$17.5 million dollars and is under the jurisdiction of the Receiver and federal court.

⁶ Information regarding the Jay Peak projects that was brought to the attention of the ACCD by third parties before then were evaluated and, based upon the information then available to it, including the observable progress being made in the development and construction of the projects, the ACCD did not believe that there was at that time a basis to suspend or take other actions with respect to these projects.

ACCD Actions Regarding Burke

Additionally in early 2015, the VRC also reviewed a revised Burke PPM, which had expired and also needed to be updated with disclosures, including reference to the then pending SEC investigation of Jay Peak. Approximately \$35 million had been raised and significant construction had commenced on the Burke hotel at the time the Burke PPM expired. Prior to clearing Burke's revised PPM in July 2015, DFR's investigation confirmed that previously raised Burke EB-5 monies had been properly used for project purposes. Accordingly, the VRC still imposed certain escrow conditions on Burke's future capital raising, but the conditions were different than those for Jay Peak Biomedical.

Specifically, all funds from new Burke investors were deposited in an escrow account and could only be used to complete the Burke hotel. To accomplish this, the VRC hired a third party construction manager to confirm the legitimacy of the construction expenses submitted by Burke and only then did DFR allow the release of funds from escrow to pay the approved expenses.

In February 2016, construction on the hotel was completed, and today the hotel is open and operating.⁷

DFR's Investigation

On December 23, 2014, ACCD and DFR entered into a memorandum of understanding (the "DFR MOU") whereby DFR assumed control of monitoring, oversight and compliance of all approved EB-5 projects in the VRC. ACCD asked DFR to do so in order to allow the VRC to utilize its expertise and statutory authority to provide enhanced oversight and monitoring of projects and to be able to enforce its requests for information through DFR's statutorily authorized regulatory and enforcement powers. The DFR MOU is attached as Exhibit H.

In early 2015, DFR reviewed the offering materials for the Jay Peak Biomedical project and discussed proposed revisions with the project's developers. It also began reviewing financial transactions associated with all accounts related to the Jay Peak projects, not just the Jay Peak Biomedical project. DFR's work started with a review of account statements from Raymond James & Associates, Inc., a brokerage firm at which various Jay Peak accounts had been established and led to reviewing information from at least 12 other financial institutions.

In total, DFR analyzed over 110 accounts with over 130,000 pages of account statements with over 100,000 transactions. Between the first production on March

⁷ Although construction was completed on the Burke, the developers failed to raise enough funds to cover the complete cost prior to the April 2016 state and federal actions. The total contractor and subcontractors claims are approximately \$3.5 million. The Burke contractor and subcontractors have filed liens on the hotel to assure payment when the assets are sold.

10, 2015 and the filing of the state case on April 14, 2016, DFR reviewed and analyzed an average of approximately 361 transactions every single day as part of its investigation.

During its 13-month investigation, DFR worked closely with the SEC attorneys who were also investigating the Jay Peak projects. Those efforts dovetailed with ACCD's responsiveness to the then pending investigation by the SEC through its Miami regional office. DFR believes that its analysis and work product substantively contributed to the SEC civil case against Ariel Quiros, William Stenger and the related entities. As a result of this collaboration, DFR and the Vermont Attorney General coordinated the filing of their respective fraud cases during April 2016.

As a result of the DFR and SEC investigations, the VRC became aware in the Fall of 2015 of the likelihood that funds raised for the various Jay Peak projects (other than Burke) were diverted. The evidence of diversion became stronger as the investigations continued and DFR and the SEC worked together to compile their cases and prepare their complaints, which were filed in April 2016.

Regional Center Marketing

USCIS's RFI asks the VRC to describe "the Regional Center's marketing activities for the projects". For clarification, as noted above, the VRC does not market for specific projects; rather it promotes the VRC and provides prospective investors with information for all of the projects associated with the VRC.

ACCD maintains a website marketing all active EB-5 projects (http://accd.vermont.gov/business/relocate_expand/eb5). In addition, ACCD has attended numerous EB-5 promotional events and investor events where it has generally marketed the VRC.

ACCD continues to promote the list of approved projects on its website, field calls from interested investors and attend events domestically and overseas to represent the VRC and provide general promotion of its projects. As needed, ACCD meets with potential investors to discuss the VRC and our oversight as the only regional center in the US with state financial regulators as part of the VRC.

Additional Compliance Steps Taken

In addition to leading the State's investigation into the alleged Jay Peak securities fraud, the Department also expanded a robust compliance program during the 19 months since it executed the DFR MOU with ACCD.

Personnel: In mid-2015, DFR established two new positions in its Securities Division that mainly focus on EB-5 compliance matters. DFR filled these positions with experienced professionals (one is an attorney and the other is the former Assistant Director of Vermont Tax Department Compliance Division). These

positions fulfill the day-to-day oversight, monitoring and compliance roles for the VRC.

New Rigorous Policies: DFR, in consultation with ACCD, also developed and implemented new rigorous standards that new EB-5 projects must comply with before associating with the VRC.

The new policies required by the current model MOU include: (1) requiring certified annual audits by independent accountants that are to be delivered to DFR; (2) delivery of an annual legal opinion that the project is in compliance with the new policies; (3) stricter requirements surrounding the existence of escrow and the release of escrowed funds; (4) all marketing materials need to be certified by the project that they are accurate and consistent with the offering documents; (5) projects are required to provide semi-annual reports to all investors on the status of the project; (6) require detailed disclosure to investors and DFR of all brokerage services and fees; and (7) clarified the grounds that DFR has to terminate a project from the VRC.

DFR implemented/strengthened two additional policies: (1) quarterly and annual reporting to the VRC; and (2) quarterly compliances examinations.

These new policies are currently internal policies to DFR; however, DFR is planning to formalize these policies over the next couple of months through new EB-5 rule making authority provided to DFR and ACCD after working closely with the Vermont legislature to create that authority. DFR anticipates initiating the administrative rule making process in early October 2016.

Reporting to DFR: EB-5 projects are required to report their status to DFR on a quarterly and annual basis. EB-5 projects must provide DFR with information regarding: (1) all relevant efforts to promote investment in EB-5 project; (2) the number of new investors, their personal information and the status of their investment; (3) all USCIS requests for evidence; (4) copies of subscription agreements related to the sale of securities associated with the EB-5 project; (5) any updated or new marketing materials and marketing information used to carry out the EB-5 project; (6) financial and accounting information such as trial balances, internally prepared financial statements, chart of accounts and any off balance sheet liabilities; (7) a list of all project vendors, including all invoices and payment history; (8) an accounting of jobs, including payroll records where appropriate; (9) any changes in names, titles, job duties, or percentage of time spent on project related duties of key personnel for all entities directly related to the furtherance of the EB-5 project; and (10) evidence and documentation of any material changes or updates to planned project timeline or execution of the project.

A copy of DFR's current quarterly compliance questionnaire is attached as Exhibit I.

Quarterly Compliance Visits: Each quarter DFR personnel physically visits and inspects all EB-5 projects in active construction. During the compliance visit DFR generally observes the status of construction and specifically verifies that the work in progress is in line with the representations made in the offering documents.

11. Additionally, in light of the SEC and Vermont complaints and other information that has come out since your FY2015 I-924A was submitted, please provide evidence regarding what new steps, if any, the Regional Center has taken or plans to take in monitoring and oversight of the projects that are subject of the complaints discussed above.

As described immediately above, during the 19 months since executing the MOU with ACCD, DFR has developed a robust compliance program with regard to the VRC. The details of this program are discussed above in the response to question 10.

Based on these actions, we believe the VRC has one of the most effective EB-5 programs in operation, combining active economic development efforts with robust compliance procedures and controls.

To our knowledge, the VRC is the *only* regional center in the country that has a formal collaboration with its state financial regulatory agency. This provides the VRC with oversight and compliance capability generally not available to any other regional center. We believe the subpoena powers and investigative staff that are available are unique to the VRC.

12. Are there any other problems and issues, in addition to those noted above, that could adversely affect your Regional Center's ability to continue to promote economic growth and create jobs, as well as effectively administer the Regional Center's affairs (including monitoring the NCEs, JCEs, and financial flows involved)?

The VRC is not currently aware of any matters other than those discussed above that might impede or adversely affect its ability to promote economic growth and create jobs through the EB-5 program.

Conclusion

The VRC believes that, notwithstanding the matters that are currently unfolding with respect to the Jay Peak projects, it has promoted and will continue to promote effectively both economic development and job creation in the State of Vermont. The EB-5 program has been and will be an important component of growth in Vermont. As a result of the problems identified at Jay Peak, the VRC brought DFR into the VRC, worked closely with the SEC and the Vermont Office of the Attorney General and has significantly enhanced its oversight of all EB-5 projects.

The VRC understands that the Jay Peak matters have cast a shadow on the EB-5 program in Vermont, but that shadow should not diminish the project completions that have occurred. As described in the letter attached as Exhibit C, the VRC intends to work with the Receiver and

others to help mitigate any adverse effects on the affected investors and on other businesses and residents in the State of Vermont.

In order for the economic development and growth to continue, it is important that the VRC continue its work under the EB-5 program. The various projects also need support and approvals from the federal government in order to permit construction and ultimately job creation to occur. The VRC looks forward to working with all affected parties and stakeholders to help obtain those approvals and to make each project as successful as it can possibly be.

AM 58618499.8

EXHIBIT A

MEMORANDUM OF UNDERSTANDING**AMONG****STATE OF VERMONT
EB-5 REGIONAL CENTER****AND****[PROJECT ENTITY]**

This Memorandum of Understanding (“Agreement”) is made and entered into, by and among:

State of Vermont Regional Center, consisting of a cooperative agreement Between the Vermont Agency of Commerce and Community Development (“ACCD”) the Vermont Department of Financial Regulation (“DFR”) (collectively “Vermont Regional Center”, or “VRC”) and

EB-5 Vermont – [PROJECT ENTITY], a [CORPORATE FORM] organized under the laws of the [STATE], and its respective successors and assigns (“[DEFINITIONAL TERM]”),

WITNESSETH:

WHEREAS, ACCD, a governmental unit of the State of Vermont, is charged with enhancing the Vermont business climate, marketing Vermont to businesses by facilitating, promoting and creating commercial and business opportunities within Vermont to contribute to the economic viability of and beneficial growth of the state; and,

WHEREAS, DFR, a governmental unit of the State of Vermont, is statutorily charged with supervising organizations that offer financial services and products to ensure the solvency, liquidity, stability and efficiency of all such organizations; protecting consumers against certain unfair and unlawful business practices; promoting reasonable and orderly competition; encouraging the development, expansion and availability of financial services and products advantageous to the public welfare; and maintaining close cooperation with other supervisory authorities (“DFR’s Mission”); and

WHEREAS, ACCD is an approved and designated Regional Center recognized by the U.S. Department of Homeland Security (“DHS”), U.S. Citizenship and Immigration Services (“USCIS”) in accordance with the Immigrant Investor Pilot Program pursuant to section 203(b)(5) of the Immigration and Nationality Act, as amended, the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. No. 102-395, section 610, as amended, and all applicable regulations promulgated thereunder, (collectively, the “Regional Center Program law”); and

WHEREAS, Initial designation as a Regional Center was made in a letter dated June 26, 1997, to Howard Dean, M.D., Governor of the State of Vermont from legacy U.S. Immigration and Naturalization Service (INS), informing him of the ACCD’s appointment as a Regional Center; reaffirmation of ACCD’s Regional Center was given by USCIS in a letter dated June 11, 2007 to

Kevin L. Dorn, secretary of ACCD; and the ACCD Regional Center designation was amended and approved for EB-5 investment across a wider range of business sectors by USCIS in a letter dated October 6, 2009 to Kevin L. Dorn, secretary of ACCD; and

WHEREAS, As a USCIS-approved and designated regional center within the Immigrant Investor Program, the Vermont Regional Center is responsible for: (i) actively marketing and promoting the Regional Center as an attractive option for development and foreign investment (“Marketing Activities”); (ii) approving developments that apply for designation as a Regional Center project (“Project Approval”); and (iii) on-going monitoring and reporting of approved Regional Center projects to assure compliance with USCIS EB-5 regulations and Policy guidance, U.S. immigration laws and regulations and federal and state securities laws (“On-Going Compliance”); and

WHEREAS, ACCD entered into a Memorandum of Understanding with DFR to assist in carrying out responsibilities of the Regional Center. ACCD will carry out the Marketing Activities, and DFR will carry out the Project Approval and On-Going Compliance functions; and

WHEREAS, [PROJECT ENTITY] is organized for the purpose of creating an EB-5 capital investment project within the Vermont Regional Center and managing and operating these investment projects in conformance with 8 U.S.C. § 1153 (b)(5)(A)-(D); and

WHEREAS, [PROJECT ENTITY] has contracted with: (a) [COUNSEL] for legal counsel regarding its compliance with U.S. immigration and nationality law as it relates to EB-5, Alien Entrepreneur investment projects and Regional Center Pilot Programs and for the purpose of advising upon all immigration matters in connection with such a project; and (b) [COUNSEL] for legal counsel regarding compliance of [PROJECT ENTITY] with all relevant and applicable state and federal securities laws and regulations; and

WHEREAS, [DESCRIBE STRUCTURE OF PROJECT]; and

WHEREAS, Pursuant to its responsibilities and obligations as a USCIS approved and designated Regional Center within the Immigrant Investor Program, VRC desires to obtain assistance with oversight of the [PROJECT ENTITY] Project within VRC and to assure the project’s compliance with U.S. immigration laws and regulations, as well as all applicable federal and state securities laws and regulations, concerning investments within a regional center in the EB-5 visa preference category, and thereby, to have greater assurance of its compliance with regional center requirements; and

WHEREAS, [PROJECT ENTITY] desires to engage the Vermont Regional Center hereunder to provide certain services and oversight in order to affiliate with the Vermont Regional Center in order that indirect and induced jobs created by the [PROJECT ENTITY] Project may be counted for purposes of the EB-5 Program,

NOW, THEREFORE, in consideration of the mutual agreements, and representations set forth herein, the parties agree as follows:

1. *Principal Representatives.* ACCD will promptly request that USCIS acknowledge ACCD’s designation of Patricia Moulton, Secretary of the Agency of Commerce and Community Development

and Susan L. Donegan, Commissioner, Department of Financial Regulation as the principal representatives of ACCD in its capacity as a Regional Center.

2. *Principal Administrators.* ACCD will promptly request that USCIS acknowledge ACCD's designation of John Kessler, General Counsel for the Agency of Commerce and Community Development, and Eugene Fullam of the Agency of Commerce and Community Development as the principal administrators of the Regional Center.

3. *Project Designation.* ACCD will promptly request that USCIS approve the [PROJECT ENTITY] Project as an approved EB-5 capital investment project within the Vermont Regional Center with U.S. immigration laws and regulations, as well as all applicable federal and state securities laws and regulations, controlling the investment process and participation in a regional center, and to report upon the activities of the [PROJECT ENTITY] Project to ACCD and respond to ACCD inquiries about the projects and assist ACCD to comply with its obligations as a regional center with respect to the [PROJECT ENTITY] Project.

4. *Quarterly Reporting.* Within 30 business days of the close of each [PROJECT ENTITY] fiscal quarter, [PROJECT ENTITY] will submit quarterly reports to DFR for the preceding fiscal quarter and year-to-date detailing:

- a. all relevant efforts to promote investment in the [PROJECT ENTITY] Project;
- b. number of investors, the status of alien investor capital (in escrow, transfers from escrow to the limited partnership);
- c. any Requests for Evidence and responses to Requests for Evidence received or produced by [PROJECT ENTITY];
- d. escrow account statements for the time period of the report;
- e. activity of Key Personnel of the Project Company in furtherance of the [PROJECT ENTITY] Project including accounting reports;
- f. as it becomes available, information related to each alien investor including:
 - I. Name;
 - II. Date of Birth;
 - III. Country of nationality;
 - IV. The U.S. city and state of residence if in the U.S.;
 - V. I-526 or I-829 Alien Entrepreneur Petition ("I-526 Petition") receipt number;
 - VI. Alien registration number (if assigned);
 - VII. Status of all I-526 or I-829 Petitions in connection with the [PROJECT ENTITY] Project (such as "in preparation", "filed with USCIS," "approved by USCIS," "denied by USCIS," "filed with the USCIS office of Administrative Appeals," etc.);
 - VIII. Total number of visas represented per investor;
 - IX. Date(s) of investment in [PROJECT ENTITY];
 - X. Amount(s) of investment in [PROJECT ENTITY]; and,
 - XI. The date(s), nature, and amount(s) of any payment, remuneration, profit, or return on investment made to the alien investor by [PROJECT ENTITY];
- g. total investor capital (alien and domestic) in [PROJECT ENTITY] and the Project Company
- h. Any other information the Vermont Regional Center may reasonably require.

5. Annual Reporting. [PROJECT ENTITY], at the close of its fiscal year, will annually file with DFR both a quarterly report and a legal opinion from counsel certifying that [PROJECT ENTITY] is not in default in the performance or observance of any of the covenants, provisions or conditions of this Agreement, or if [PROJECT ENTITY] shall be in default, such [PROJECT ENTITY] shall specify all such defaults, the nature thereof, a detailed plan for curing the default, and the progress made toward restoring compliance. [PROJECT ENTITY] will also file with DFR, upon completion of the audit requirement under covenant sixteen (16) below, all financial statements, opinions, and certifications provided by the hired independent, licensed certified public accountant.

6. Quarterly Site Visits. On behalf of [PROJECT ENTITY] the Project Company will coordinate and will cooperate with the Vermont Regional Center as it conducts site visits, document requests, and examinations on a quarterly basis or more frequently upon reasonable notice, to ensure compliance with all provisions of this Agreement and representations made in the [PROJECT ENTITY] private placement memorandum.

7. Material Changes. [PROJECT ENTITY] will provide written notice to the Vermont Regional Center within fifteen (15) days of a material change to information disclosed in the private placement memorandum or any change that will materially affect the investors' rights.

8. Support of Regional Center. [PROJECT ENTITY] will support the operation, purpose, and goals of the Vermont Regional Center by:

- a. providing investment-related and supporting documentation to prospective investors;
- b. supplying economic analysis and modeling reports from a qualified economist on direct and indirect job creation;
- c. defining investment opportunities within the [PROJECT ENTITY] Project including but not limited to classes of shares or membership interests;
- d. complying with relevant regulatory or administrative requirements in support of individual I-526 or I-829 Petitions and other petitions filed with USCIS by immigrant investors in [PROJECT ENTITY];
- e. encouraging investment and employment creation within the Vermont Regional Center through marketing at emigration fairs and conferences with individual investors outside the United States;
- f. maintaining a website to promote and describe the [PROJECT ENTITY] Project to the extent such website and promotion therefor is not in violation of On-Going Compliance;
- g. preparing a desirable business plan to encourage individual investments in [PROJECT ENTITY];
- h. establishing escrow accounts to assist orderly investment in [PROJECT ENTITY];
- i. facilitating, on a fee basis, the preparation and submission of the I-526 Petition and petitions for other immigration benefits to USCIS or the Department of State for individual investors;
- j. providing information related to any entities carrying out the activities of the [PROJECT ENTITY] Project;
- k. ensuring the Project Company structures the enterprise so that it creates requisite employment prior to the investors seeking removal of conditions;

- l. ensuring the Project Company to commence and complete the [PROJECT ENTITY] Project and its operations in a reasonably timely manner;
- m. providing operating expertise and personnel to operate the [PROJECT ENTITY] Project efficiently and effectively;
- n. making referrals to advisors who may assist with issues arising from relocation by the investor and the investor's spouse and children if requested by individual investors; and
- o. Complying with any other reasonable request of the Vermont Regional Center in furtherance of its operations, purpose, and goals.

9. Good Faith Dealing. [PROJECT ENTITY] agrees to promote investment in the [PROJECT ENTITY] Project and to perform its obligations under this Agreement honestly, consistently and fairly in furtherance of its efforts to assist the Vermont Regional Center with the oversight and management of [PROJECT ENTITY] Project.

10. Independence and Liability. The [PROJECT ENTITY] Project will act in an independent capacity and not as officers or employees of the State.

The [PROJECT ENTITY] Project shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the [PROJECT ENTITY] Project or of any agent of the [PROJECT ENTITY] Project. The State shall notify the [PROJECT ENTITY] Project in the event of any such claim or suit, and the [PROJECT ENTITY] Project shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

After a final judgment or settlement, the [PROJECT ENTITY] Project may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The [PROJECT ENTITY] Project shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the [PROJECT ENTITY] Project.

The [PROJECT ENTITY] Project shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the [PROJECT ENTITY] Project.

11. Administrative Fees.

[PROJECT ENTITY] will pay to ACCD an administrative fee to support administration of the EB-5 Regional Center program. The fee established under 10 V.S.A. § 21 authorizes the ACCD Secretary to assess an administrative charge to support the operations of the ACCD Regional Center and to cover the costs of providing specialized services in support of participating economic development projects. The fee will be due and payable to ACCD as described in Exhibit A hereto.

12. Financial and Legal Disclosure. [PROJECT ENTITY] will disclose to the Vermont Regional Center any and all of the following occurrences or circumstances pertaining to any business ever owned or directed by any person or entity associated with the [PROJECT ENTITY] Project, its owners, principals, and directors, in every case promptly after [PROJECT ENTITY] has received knowledge or reasonably should have knowledge or information thereof:

- a. previous bankruptcy or insolvency proceedings under any applicable federal, state, or foreign law;
- b. any appointment of a receiver, liquidator, assignee, trustee, or other similar official;
- c. any assignment for the benefit of creditors generally;
- d. any admission in writing of inability to pay debts as they become due;
- f. any and all civil or criminal securities investigations, charges, or orders by federal, state, foreign, or self-regulatory securities regulators against [PROJECT ENTITY], its owners, principals, or directors;
- g. any and all criminal convictions or criminal proceedings, judgments or plea bargains, in and with any jurisdiction, even if such charges or convictions were dismissed, pardoned, expunged, nullified or retroactively extinguished;
- h. any and all allegations of fraud or tax evasion by any tribunal in the world even if these allegations were not prosecuted, or were dismissed or eventually expunged or pardoned or subject to any clemency;
- i. any tax liens, judgments or past due tax liabilities against themselves;
- j. any and all civil claims, litigation, lawsuits or arbitration proceedings where any are or have been named as parties anywhere in the world;
- k. a disclosure statement regarding related party transactions, actual and apparent conflicts of interest.

13. Brokerage Services. [PROJECT ENTITY] will ensure that any agents thereof are properly registered as Broker-Dealers under Federal, State, or Self-Regulatory law as applicable. Upon request, [PROJECT ENTITY] will provide to the Vermont Regional Center copies of any payment or service agreements with any and all persons receiving fees or commissions from the [PROJECT ENTITY] Project or a related entity based on the successful investment in the offering by prospective investors.

14. Escrow of Investor Funds. Unless otherwise mutually agreed by the Vermont Regional Center and [PROJECT ENTITY], [PROJECT ENTITY] will ensure that such investor's funds are held only in lawful U.S. currency in an escrow account at a U.S. banking institution unaffiliated with [PROJECT ENTITY] and with a minimum Moody's bank level credit rating of A3 (or equivalent with Standard and Poor's or Fitch). Funds must be retained in the escrow account until USCIS approves five I-526 petitions. Thereafter, funds may be released on an investor-by-investor basis to [PROJECT ENTITY] as I-526 Petitions are approved, unless [PROJECT ENTITY] provides evidence acceptable to the Vermont Regional Center of insurance protecting against the risk of an I-526 denial.

15. Marketing Materials. [PROJECT ENTITY] must review and certify to the Vermont Regional Center that all marketing information and materials, including translations, licenses of agents, and websites, are materially accurate and consistent with the representations in the [PROJECT ENTITY]' offering document and comply with all applicable state and federal laws.

16. Independent Audit. [PROJECT ENTITY] will employ one or more independent, licensed certified public accountants to complete an annual audit of [PROJECT ENTITY] and all of its financial affairs in full compliance with the prevailing Auditing Standards of the American Institute of Certified Public Accountants (AICPA).

17. Changes in Key Personnel. [PROJECT ENTITY] and the Project Company shall be responsible for providing updates to the Vermont Regional Center of any changes made to key personnel in the [PROJECT ENTITY] Project, promptly after [PROJECT ENTITY] or the Project Company is in receipt of information about any such change. Participation in the Vermont Regional Center may be based upon the level of confidence the Vermont Regional Center maintains in its sole discretion concerning the key participants and their collective ability to deliver a successful EB-5 project. For the purposes of this covenant, "Key Personnel" shall mean owners, principals, directors, officers, managers, sponsors, attorneys or any person fulfilling a similar type role in the oversight and management of the company.

18. Investor Relations. [PROJECT ENTITY] shall provide at least semi-annual written communication with its investors on the progress and status of their investment and the EB5 project it supports.

19. Due Diligence information. [PROJECT ENTITY] will provide the Vermont Regional Center with the information listed hereunder.

- a. Identification of all assets and liabilities of [PROJECT ENTITY];
- b. The capital structure of the [PROJECT ENTITY] Project
 - I. existing assets;
 - II. completed project value; and,
 - III. stabilized value.
- c. [PROJECT ENTITY] business plan including projected financial statements, anticipated tax credits, project value(s) and existing assets. Financial statements include a balance sheet, statement of cash flows, as well as a profit and loss statement in accordance with Generally Accepted Accounting Principles. Other project related information including, but not limited to:
 - I. feasibility study and/or third party market study as determined by the Vermont Regional Center;
 - II. loan documents;
 - III. business plan, detailed projections and their factual support;
 - IV. economist's job creation analysis and report;
 - V. evidence that an investor is either a foreign investor or an accredited investor;
 - VI. a list of Key Personnel resumes and credentials.
- d. Certificates of insurance for any and all entities associated with the [PROJECT ENTITY] Project showing all policies of insurance for all insurable risks.
- e. Identification by name and function third-party service providers in the [PROJECT ENTITY] Project including:
 - I. Law firm(s) and other in-house counsel for advising on and ensuring compliance with all federal law and regulation applicable to the EB5 program, including but not limited to DHS and USCIS regulations governing EB5 investor-funded projects, SEC regulations governing securities and investments, and the State of Vermont DFR.
 - II. Economist(s) or other consultant(s) providing economic analysis to support project compliance with EB5 job creation requirements.
 - III. Marketing and promotion professional(s) and firm(s) assisting the [PROJECT ENTITY] Project in garnering support from EB5 investors and other financial institutions and sources of financing.

IV. Accounting and auditing firm(s) that will provide professional services to provide advice on and ensure compliance with all financial aspects of the [PROJECT ENTITY] Project.

V. Agents, brokers or other persons who will represent the [PROJECT ENTITY] Project in pursuit of EB5 investors.

f. Copies of all permits required for construction and operation of [PROJECT ENTITY] as acquired.

g. Certification of good standing with Vermont Department of Taxes and US Internal Revenue Service.

h. Evidence of timely compliance with all state and federal payroll withholding requirements.

20. Choice of Law. This Agreement shall be governed by the laws of the State of Vermont.

21. Modification. This Agreement may be modified by written mutual consent of the parties.

22. Compliance with Laws. [PROJECT ENTITY] will comply with all applicable federal, state, municipal, self-regulatory, and international law.

23. Authority over MOU. Subject to delivery of written notice from the Vermont Regional Center to [PROJECT ENTITY] and [PROJECT ENTITY]' subsequent thirty (30) day right to cure such matters as noticed or described hereunder, the Vermont Regional Center may terminate this Agreement and the [PROJECT ENTITY] project's EB-5 designation, placing the project on hold, freezing the use of investor funds, and discontinuing marketing of the project, by notifying [PROJECT ENTITY] in writing for reasons including but not limited to the following:

a. Harm to the Vermont brand as determined by the Vermont Regional Center in consultation with the State's Chief Marketing Officer

b. Material misrepresentation or fraud by [PROJECT ENTITY] in connection with the [PROJECT ENTITY] EB-5 Project;

c. Material misstatements or misleading information by [PROJECT ENTITY], its agents, brokers or immigration agents sourcing investors abroad with respect to the terms or expected financial performance of an investment, or about an investor's ability to secure a green card;

d. Failure to timely submit any reasonably requested information or records requested by the Vermont Regional Center; or

e. Failure to comply with any of the terms or conditions of this Agreement.

Notwithstanding the VRC's right to cancel this Agreement and the [PROJECT ENTITY] Project as described above, if the Vermont Regional Center, in its sole discretion, determines it would serve the interests of investors to facilitate an orderly transition of the [PROJECT ENTITY] Project to a new Vermont Regional Center sponsor the Vermont Regional Center may require [PROJECT ENTITY] to fulfill its responsibilities under this Agreement until a new sponsor is found or formed to assume [PROJECT ENTITY]'s duties hereunder; and, if the VRC, in its sole discretion, determines to continue the project, it shall not terminate this Agreement until such time as a successor sponsor is secured for the [PROJECT ENTITY] Project. The Vermont Regional Center shall not unreasonably withhold approval of a replacement sponsor.

DRAFT

24. Expenses and Bill Back. [PROJECT ENTITY] shall pay all necessary fees and expenses incurred for the engagement of third party service providers by the Vermont Regional Center directly related to its obligations as a USCIS approved Regional Center to oversee the [PROJECT ENTITY] Project and its obligations under this Agreement. All such fees and expenses are to be paid directly to the ACCD or DFR, as applicable, as and when such fees and expenses become due and payable within thirty (30) days after receipt of an invoice from the Vermont Regional Center.

25. Maintenance of Corporate Existence and Qualification. [PROJECT ENTITY] agrees that as long as [PROJECT ENTITY] owes any duty to any investor, it will maintain its existence, will not dissolve, liquidate or otherwise dispose of all or substantially all of its assets, and will not consolidate with, allow itself to be acquired or merge into another corporation or permit one or more other corporations to consolidate with or merge into it without the prior written approval of the Vermont Regional Center and investors.

26. Notices. Notices given hereunder shall be in writing and delivered by courier or by registered U.S. mail to:

For ACCD:

The ACCD Secretary or ACCD General Counsel
1 National Life Drive
National Life Building, Drawer 20
Montpelier, VT 05620-0501

For DFR:

EB-5 Compliance Group
c/o Director of Capital Markets
City Center
89 Main Street
Montpelier, VT 05602

[PROJECT ENTITY]:

The parties have executed this Agreement in duplicate originals as of the date of their signatures affixed below.

State of Vermont Agency of Commerce and Community Development

Dated: _____

Patricia Moulton, Secretary

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State of Vermont Department of Financial Regulation

Dated: _____

Susan L. Donegan, Commissioner

[PROJECT ENTITY]

Dated: _____

(ENTER APPLICABLE PERSON)
Duly Authorized Agent
[PROJECT ENTITY]

Exhibit A

Fee Structure

<u>Non-Refundable Application to RC</u> (1x cost): (May be paid over 12 months)	\$25,000
<u>Regional Center Oversight:</u> (To be completed after Regional Center review and comments)	\$15,000
<u>Monthly Fee:</u> (Paid quarterly from date of MOU signing until all Project investors receive their I829.)	\$ 2,500

Regional Center Services

Initial Legal Review – Prior to submission to Regional Center counsel.

On-Going Investor Referrals – The Regional Center is regularly contacted by highly qualified investors and potential agents regarding approved projects. We provide contact information for each of our approved projects.

Up to 20 Days of Travel on Behalf of Project - All airfare, meals, rooms, taxi and other transportation paid for directly or reimbursed by the project.

Project Monitoring – For compliance with MOU covenants is ongoing.

Quarterly Due Diligence Meetings – Done in conjunction with Department of Financial Regulation.

Investor Inquires and Complaints – The Regional Center often fields calls and emails from potential or actual project investors. A reasonable number of inquiries and complaints are included in the monthly fee.

Attendance at AILA, IIUSA, ILW and Other Industry Conferences – If the Regional Center has a booth at a conference and the Regional Center displays project’s marketing materials.

Website Marketing – Project and contact information is listed on state website.

I-924A Annual Filing. USCIS Reporting – As needed.

EXHIBIT B

August 23, 2016

U.S. Citizenship and Immigration Services
Immigrant Investor Program
131 M Street, NE
Mailstop 2235
Washington, DC 20529

Re: Agency of Commerce and Community Development (ACCD/Vermont Regional Center): RCW1536353984

Dear Sir or Madam:

I am writing to confirm my direct knowledge of favorable facts that should lead USCIS to the conclusion that the Vermont Regional Center is continuing to promote economic growth. Additionally, I can confirm that based on my personal experience and observations the Department of Financial Regulation (DFR) is playing an active role in supervising EB-5 projects to increase investor protections and the overall integrity of the EB-5 Program in Vermont.

Mintz Levin has served as securities law and immigration counsel for two of the state's largest EB-5 projects, South Face Village at Okemo and Mount's Snow's Carinthia Group 1/2. Together these offerings are projected to result in more than \$80 million of EB-5 job creating capital flowing into Vermont. The vast majority of jobs created by this capital will be spurred in the coming years. There is no question that economic growth will continue in Vermont as a direct result of EB-5 financing. ACCD is clearly positioned to achieve economic growth in Vermont through EB-5 capital, provided that the state's EB-5 program continues.

Vermont also has the potential to lead the EB-5 industry in best practices on the securities law and investor protection fronts. DFR is now overseeing the EB-5 program in Vermont. This makes a real difference. Regulators at DFR are trained in fraud detection and examination, in addition to understanding the securities industry. For example, William R. Carrigan, the new Deputy Commissioner of DFR, is a Certified Fraud Examiner. Michael Pieciak, DFR's new Commissioner as of July 2016, is a Skadden Arps trained lawyer with broad exposure to securities law. Commissioner Pieciak and Deputy Commissioner Carrigan have the ability to shape protective policies for investors that would be unheard of in privately owned regional centers. An example is quarterly audits of projects by DFR. Vermont is leading the country in EB-5 integrity with its model of DFR and ACCD partnering to administer and oversee EB-5. This structure is a model for other states.

Very truly yours,



Douglas Hauer

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

BOSTON | LONDON | LOS ANGELES | NEW YORK | SAN DIEGO | SAN FRANCISCO | STAMFORD | WASHINGTON

EXHIBIT C



Agency of Commerce and Community Development
1 National Life Drive – Davis Bldg, 6th Floor
Montpelier, VT 05620-0501
accd.vermont.gov

[phone] 802-828-3211

May 24, 2016

USCIS Investor Program Office
131 M Street, NE
3rd Floor Mailstop 2235
Washington, DC 20529
USCIS.ImmigrantInvestorProgram@uscis.dhs.gov

Office of Public Engagement
131 M Street, NE
3rd Floor Mailstop 2235
Washington, DC 20529
Public.Engagement@uscis.dhs.gov

Re: Urgent Policy Level Questions – Jay Peak Resorts

To Whom It Concerns:

The Vermont Regional Center, along with the court appointed Receiver of Jay Peak and related projects, are writing this letter to advocate for all Jay Peak EB-5 investors currently in the immigration petitioning process (whether I526 or I829) for Jay Peak Phases I through VIII.

As you are well aware, the State of Vermont initiated a civil action alleging investor fraud at EB-5 projects run by Jay Peak. The State of Vermont action is taken in coordination with the U.S. Securities and Exchange Commission (SEC), which filed a similar action in the United States District Court for the Southern District of Florida (the “U.S District Court”) on April 11, 2016. Filings in these cases are available at www.dfr.vermont.gov and www.jaypeakreceivership.com

Since December 2014, Vermont’s EB-5 Regional Center, in partnership with the Vermont Department of Financial Regulation, has been conducting an in-depth financial review of the aforementioned projects. The U.S. District Court appointed a receiver who has assumed control of all Jay Peak assets and is in the early stages of seeking to stabilize the business operations, coordinate with the EB-5 investors, and develop a plan to meet the investors’ immigration requirements and protect their investment.

Given the unique circumstances of this particular alleged fraud, we trust USCIS will acknowledge the verifiable job creation that exists in several of the Jay Peak projects as well as the associated quality of the underlying assets and income streams. Taken together, these tangible and definable measures provide Jay Peak EB-5 investors and, ultimately the USCIS, the optionality to formulate favorable investor outcomes.



In an effort to find solutions that permit Jay Peak investors the opportunity to achieve green card status, we respectfully submit for your review several reasoned proposals that can be taken individually and / or collectively. For example:

- i. **Public Policy Concerns:** Reflecting public policy concerns, especially the possible deportation of EB-5 investors facing I829 “timing out” issues, we recommend that USCIS designate “extraordinary exemption status” to all Jay Peak EB-5 investors given that the fraud perpetuated upon these investors, which was implemented by the projects’ principals, was not of their doing. Since USCIS legislation nor regulations appear to prohibit this suggestion, USCIS could conceivably choose to make policy in this extraordinary situation, especially if the business plan is executed and job creation is achieved or progressing as planned.
- ii. **Job Pooling Concept:** Where excess jobs were created in the earlier Jay Peak projects versus a clear deficiency in the latter projects, the Vermont Regional Center and the Receiver propose the concept of pooling all jobs under one-project umbrella versus analyzing each project independent of the other given the nature of the alleged fraud and misappropriation of EB-5 investor monies. According to our analysis, a surplus of jobs exists thereby permitting such consideration. This is also consistent with the “in good faith, substantially met” approach in regulations 8 CFR 216.6 and is consistent with the fact that the projects’ principals commingled money amongst the projects so that investors’ money actually did create jobs, albeit not in the intended project.
- iii. **Transfer of Investors to Other Projects Within the Jay Peak Umbrella:** Given the dearth of job creation in Phase VII (ANC Biomedical Research Park), we suggest transferring ANC Bio investors to other projects such as Phase VIII (Burke Hotel) and to a lesser extent Phase VI (Stateside). Additionally, we propose that this transfer process allow investors to maintain priority date status.
- iv. **A Coordinated Effort Between the Receiver, USCIS and Vermont Regional Center:** Understanding that a sale of an individual asset(s) could be considered a failure of the EB-5 investors to sustain the planned investment pursuant to the initial business plan, thereby jeopardizing an investor’s eligibility for U.S. permanent residence, we respectfully propose that USCIS permit the modification of business plans to allow the Receiver to continue to develop unfinished Jay Peak projects (notably Phase VI Stateside) or sell projects under an arrangement that allows for the continued operation of the projects under the EB-5 program in order to preserve the EB-5 investors’ claims for benefits. Furthermore, we ask USCIS to allow the Receiver to restore diverted capital through other financing options specifically additional capital raises from existing and / or new prospective investors or from damages recovered from the third party wrongdoers.

As we proceed forward in administering our duties as an approved USCIS designated EB-5 regional center and as a court appointed receiver, it is imperative that we address collectively this high profile situation and the urgent policy implications surrounding the unique issues facing the Jay Peak EB-5 investors and their

USCIS Investor Program Office
Office of Public Engagement
Page 3
May 24, 2016

attainment of green cards. Accordingly, we would welcome the opportunity to meet in-person with the appropriate USCIS personnel in Washington D.C. to discuss the proposals raised in this letter to collectively remedy the situation for all investors.

Sincerely,



Patricia Moulton, Secretary
Agency of Commerce & Community Development
One National Life Drive
Deane C. Davis Building / 6th Flr
Montpelier, VT 05620-0501
Dir: 802.451.9578
pat.moulton@vermont.gov



Michael I. Goldberg
Receiver of Jay Peak Resort and Related Projects
350 East Las Olas Boulevard | Suite 1600 | Fort Lauderdale, FL 33301-2999
Dir: 954.468.2444 | Main: 954.463.2700 | Cell: 954.770.8800 | Fax: 954.463.2224
michael.goldberg@akerman.com



Eugene J. Fullam, Director
State of Vermont EB-5 Regional Center
One National Life Drive
Deane C. Davis Building / 6th Flr
Montpelier, VT 05620-0501
Dir: 802.272.8856
eugene.fullam@vermont.gov

EXHIBIT D

Redacted per §317(c)(14)

Redacted per §317(c)(14)

EXHIBIT E

Department of Homeland Security
U.S. Citizenship and Immigration Services

**Form I-924A,
Supplement to Form I-924**

Part 1. Information About Principal of the Regional Center

Name: Last Moulton	First Patricia	Middle Lynn
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In Care Of: **Vermont Agency of Commerce & Community Development (VACCD) Regional Center**

Street Address/P.O. Box: **1 National Life Drive / Deane C. Davis Bldg. / 6th Floor**

City: Montpelier	State: VT	Zip Code: 05620
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Date of Birth (mm/dd/yyyy): 08/13/1959	Fax Number (include area code): 802 828 3258	Telephone Number (include area code): 802 828 5204
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Web site address: **eb5.vermont.gov**

USCIS-assigned number for the Designated Regional Center (attach the Regional Center's most recently issued approval notice) **RCW 1031910255**

Part 2. Application Type (Select one)

- a. Supplement for the ^{PERIOD} ~~Fiscal Year~~ Ending ^{JUNE} ~~September~~ 30, 2016 (YYYY)
- b. Supplement for a Series of Fiscal Years Beginning on October 1, _____ (YYYY) and Ending on September 30, _____ (YYYY)

Part 3. Information About the Regional Center

(Use a continuation sheet, if needed, to provide information for additional management companies/agencies, regional center principals, agents, individuals, or entities who are or will be involved in the management, oversight, and administration of the regional center.)

A. Name of Regional Center: **VT Agency of Commerce & Community Development (VACCD) Regional Center**

Street Address/P.O. Box: **1 National Life Drive/Deane C. Davis Bldg. / 6th Floor**

City: Montpelier	State: VT	Zip Code: 05620
Web site Address: eb5.vermont.gov	Fax Number (include area code): 802 828 3258	Telephone (include area code): 802 828 5204

B. Name of Managing Company/Agency: **N/A**

Street Address/P.O. Box:

City:	State:	Zip Code:
Web site Address:	Fax Number (include area code):	Telephone (include area code):

C. Name of Other Agent: **N/A**

Street Address/P.O. Box:

City:	State:	Zip Code:
Web site Address:	Fax Number (include area code):	Telephone (include area code):

Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation that has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in "troubled businesses.")

Aggregate EB-5 Capital Investment \$20,000,000	Aggregate Direct and Indirect Job Creation 74	Aggregate Jobs Maintained 621
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2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in "troubled businesses".)

a. Industry Category Title: Ski Resort & Operations		NAICS Code for the Industry Category <u>7 1 1 9 2</u>
Aggregate EB-5 Capital Investment \$13,500,000	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained 374
b. Industry Category Title: Brewery Operations		NAICS Code for the Industry Category <u>3 1 2 1 2 0</u>
Aggregate EB-5 Capital Investment \$6,500,000	Aggregate Direct and Indirect Job Creation 74	Aggregate Jobs Maintained 111
c. Industry Category Title: Nonscheduled Chartered Passenger Air Transport		NAICS Code for the Industry Category <u>4 4 1 2 1 1</u>
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

a. Name of Commercial Enterprise: Carinthia Group 1 & 2 LP		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 39 Mount Snow Road	City: West Dover	State: VT	Zip Code: 05356
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name: West Lake Water Project, LLC.		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 89 Grand Summit Way	City: West Dover	State: VT	Zip Code: 05356
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained	
(2) Business Name: Carinthia Ski Lodge, LLC.		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 89 Grand Summit Way	City: West Dover	State: VT	Zip Code: 05356
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained	

b. Name of Commercial Enterprise: SouthFaceVillage at Okemo DevelopmentFund LP		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 213 Court Street	City: Middletown	State: CT	Zip Code: 06457
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name: SouthFaceVillage at Okemo Development Co, LLC		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): Trailside Road	City: Ludlow	State: VT	Zip Code: 05149
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained	

Part 3. Information About the Regional Center (Continued)

(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

c. Name of Commercial Enterprise: Q Burke Mountain Resort/Hotel/Conf Ctr. LP		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 223 Sherburne Lodge Road	City: East Burke	State: VT	Zip Code: 05832
Aggregate EB-5 Capital Investment 13,500,000	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State: VT	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

Part 3. Information About the Regional Center (Continued)

d. Name of Commercial Enterprise: EB5 America-Sugarbush Fund LP		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 1806 11th St, NW	City: Washington D.C.	State: DC	Zip Code: 20001
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.			
(1) Business Name: Summit Ventures NE LLC		Industry Category Title: Ski Resort & Operations	
Address (Street Number and Name): 1840 Sugarbush Access Road	City: Warren	State: VT	Zip Code: 05674
EB-5 Capital Investment \$0	Direct and Indirect Job Creation	Jobs Maintained 374	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	
e. Name of Commercial Enterprise: Von Trapp Enterprises, LP		Industry Category Title: Brewery Operations	
Address Street Number and Name: 700 Trapp Hill Road	City: Stowe	State: VT	Zip Code: 05672
Aggregate EB-5 Capital Investment \$6,500,000	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained 0	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name: Trapp family Lodge, Inc.		Industry Category Title: Brewery Operations	
Address (Street Number and Name): 700 Trapp Hill Road	City: Stowe	State: VT	Zip Code: 05672
EB-5 Capital Investment \$6,500,000	Direct and Indirect Job Creation 74	Jobs Maintained 111	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-526 Petition Final Case Actions		
Approved	Denied	Revoked

5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-829 Petition Final Case Actions		
Approved	Denied	Revoked

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in **Part 2** of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation that has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in "troubled businesses.")

Aggregate EB-5 Capital Investment \$20,000,000	Aggregate Direct and Indirect Job Creation 74	Aggregate Jobs Maintained 621
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2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in "troubled businesses".)

a. Industry Category Title:		NAICS Code for the Industry Category -----
Aggregate EB-5 Capital Investment	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained
b. Industry Category Title:		NAICS Code for the Industry Category -----
Aggregate EB-5 Capital Investment	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained
c. Industry Category Title:		NAICS Code for the Industry Category -----
Aggregate EB-5 Capital Investment	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

f. Name of Commercial Enterprise: **Stowe Airport Investment, LP** Industry Category Title: **Nonscheduled Chartered Passenger Air Tr**

Address (Street Number and Name): 125 Mountain Road	City: Stowe	State: VT	Zip Code: 05672
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name: Stowe Aviation, LLC		Industry Category Title: Nonscheduled Chartered Passenger Air T	
Address (Street Number and Name): 125 Mountain Road	City: Stowe	State: VT	Zip Code: 05672
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

b. Name of Commercial Enterprise:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
Aggregate EB-5 Capital Investment	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained	

Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? No Yes

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

Part 3. Information About the Regional Center (Continued)

Answer the following questions for the time period identified in Part 2 of this form. **Note:** If extra space is needed to complete any item, attach a continuation sheet, indicate the item number, and provide the response.

1. Identify the aggregate EB-5 capital investment and job creation has been the focus of EB-5 capital investments sponsored through the regional center. (**Note:** Separately identify jobs maintained through investments in "troubled businesses.")

Aggregate EB-5 Capital Investment \$20,000,000	Aggregate Direct and Indirect Job Creation 74	Aggregate Jobs Maintained 621
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2. Identify each industry that has been the focus of EB-5 capital investments sponsored through the Regional Center, and the resulting aggregate EB-5 capital investment and job creation. (**Note:** Separately identify jobs maintained through investments in "troubled businesses".)

d. a. Industry Category Title: Agricultural Manufacturing		NAICS Code for the Industry Category 3 3 3 1 1
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained 136
e. b. Industry Category Title: Carbon Manufacturing		NAICS Code for the Industry Category 3 3 5 9 9 1
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained 0
c. Industry Category Title:		NAICS Code for the Industry Category _____
Aggregate EB-5 Capital Investment	Aggregate Direct and Indirect Job Creation	Aggregate Jobs Maintained

3. Provide the following information for each job creating commercial enterprise located within the geographic scope of your regional center that has received EB-5 investor capital:

g. a. Name of Commercial Enterprise: VT Opportunity Partners I, LP		Industry Category Title: Agricultural Manufacturing	
Address (Street Number and Name): 75 Meigs Road	City: Vergennes	State: VT	Zip Code: 05491
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained 0	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name: CHP Holdings, Inc.		Industry Category Title: Agricultural Manufacturing	
Address (Street Number and Name): 75 Meigs Road	City: Vergennes	State: VT	Zip Code: 05491
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained 136	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

h.

Name of Commercial Enterprise: SWCP, LP.		Industry Category Title: Carbon Manufacturing	
Address (Street Number and Name): 31 Depot Avenue	City: Windsor	State: VT	Zip Code: 05089
Aggregate EB-5 Capital Investment \$0	Aggregate Direct and Indirect Job Creation 0	Aggregate Jobs Maintained 0	
Does this EB-5 commercial enterprise serve as a vehicle for investment into other business entities that have or will create or maintain jobs for EB-5 purposes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			
If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.			
(1) Business Name: Seldon Technologies, Inc.		Industry Category Title: Carbon Manufacturing	
Address (Street Number and Name): 31 Depot Avenue	City: Windsor	State: VT	Zip Code: 05089
EB-5 Capital Investment \$0	Direct and Indirect Job Creation 0	Jobs Maintained 0	

Part 3. Information About the Regional Center (Continued)

If yes, then identify the name and address of each job creating business, as well as the amount of EB-5 capital investment and job creation/maintenance associated with each job creating business.

(1) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	
(2) Business Name:		Industry Category Title:	
Address (Street Number and Name):	City:	State:	Zip Code:
EB-5 Capital Investment	Direct and Indirect Job Creation	Jobs Maintained	

4. Provide the total number of approved, denied and revoked Form I-526 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-526 Petition Final Case Actions		
Approved	Denied	Revoked
0	0	0

5. Provide the total number of approved, denied and revoked Form I-829 petitions filed by EB-5 investors making capital investments sponsored by the regional center. (Note: If an adverse action was ultimately reversed and the petition was approved, then note the case as approved.)

Form I-829 Petition Final Case Actions		
Approved	Denied	Revoked
0	0	0

NOTE: USCIS may require case-specific data relating to individual EB-5 petitions and the job creation determination and further information regarding the allocation methodologies utilized by a regional center in certain instances in order to verify the aggregate data provided above.

Part 4. Applicant Signature Read the information on penalties in the instructions before completing this section. If someone helped you prepare this petition, he or she must complete **Part 5**.

I certify, under penalty of perjury under the laws of the United States of America, that this supplemental form and the evidence submitted with it are all true and correct. I authorize the release of any information from my records that U.S. Citizenship and Immigration Services needs to determine eligibility for the benefit being sought. I also certify that I have authority to act on behalf of the Regional Center.

Signature of Applicant → <i>Patricia Moulton</i>	Printed Name of Applicant <i>Patricia Moulton</i>	Date (mm/dd/yyyy) <i>6/24/16</i>
Daytime Phone Number (Area/Country Codes) <i>602-828-5204</i>	E-Mail Address <i>pat.moulton@vermont.gov</i>	
Relationship to the Regional Center Entity (Managing Member, President, CEO, etc.) <i>Principal Representative</i>		

Part 5. Signature of Person Preparing This Form, If Other Than Above (Sign Below)

I declare that I prepared this form using information provided by someone with authority to act on behalf of the Regional Center, and the answers and information are those provided by the Regional Center.

Attorney or Representative: In the event of a Request for Evidence (RFE), may the USCIS contact you by Fax or E-mail? No Yes

Signature of Preparer	Printed Name of Preparer	Date (mm/dd/yyyy)
Firm Name and Address		
Daytime Phone Number (Area/Country Codes)	Fax Number (Area/Country Codes)	E-Mail Address

EXHIBIT F



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Management and Board of Directors of:
Seldon Technologies, Inc. and
the General Partner of:
Seldon Clean Water Products (Asia) L.P

We have performed the procedures enumerated below, which were agreed to by **Seldon Technologies, Inc.**, solely to assist you with respect to the accounting records of **Seldon Technologies, Inc.** and its affiliates for the period from July 1, 2010 through October 15, 2013. The management of **Seldon Technologies, Inc.** is responsible for the company's accounting records and operations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

(1) Contributions made into SCWP

Procedures:

- Obtain a listing of investments from limited partners ("Contributions") made into Seldon Clean Water Products (Asia) L.P. ("SCWP") since July 1, 2010 and confirm that each investment was deposited to a bank account owned by SCWP by agreeing the amount and date of the investment to the corresponding deposit, as shown on the applicable bank statement.

Findings:

- All individual investments from the ten limited partners into Seldon Clean Water Products (Asia), L.P. agreed to the corresponding credit, as shown on the applicable Seldon Clean Water Products (Asia), L.P. bank statements.

(2) Funds Transferred from SCWP

Procedures:

- Obtain detail of funds transferred from SCWP to Seldon Technologies, Inc. ("Seldon") and confirm that each transfer out of SCWP, as shown on the corresponding SCWP bank statement, is properly supported by a corresponding transfer into Seldon, as reflected on the Seldon bank statement.

Findings:

- All transfers out from SCWP, as shown as a debit within the applicable SCWP bank statement, agreed to a corresponding transfer into the applicable Seldon bank account on the same day.

(3) Allowable Expenditures

Procedures:

- Obtain Business Plan within Private Offering Memorandum dated April 21, 2010 and summarize allowable expense categories, as listed in that document.

Findings:

- The following expense categories were found within the Business Plan within Private Offering Memorandum dated April 21, 2010:
 - a. Start-Up Costs
 - Pre-commercialization costs incurred for scale-up activities including: 1) work-force recruiting, hiring and training, 2) raw material purchases and product assembly; and 3) other scale-up costs.
 - b. Acquisition of Capital Equipment, Machinery and Fixtures
 - Purchases of machinery, equipment, and leasehold improvements.
 - c. Leasehold Premises Improvements and Fit Up Costs
 - Improvements to leased manufacturing facilities, including fit up costs and fees, to facilitate expansion of manufacturing capacity.
 - d. Working Capital Requirements of Seldon
 - Working capital and inventory.
 - e. Working Capital Fund for Variable Business Costs
 - Variable expenses anticipated to support the Project. This Fund will provide for additional funds for costs that are expected but not yet quantified.

(4) Expenditure Support

Procedures:

- Obtain detail of Seldon expenditures from July 1, 2010 through October 15, 2013 and select a sample of expenditures (minimum 500). Trace amounts for individual expenditures to the corresponding invoice, contract and/or other supporting documentation.

Findings:

- Except for the following, individual expenditures selected were supported by a corresponding vendor invoice.
- Of 606 items tested, there were fifteen (15) individual items for which the Company's staff could not locate the supporting documentation. This number represents approximately 2.5% of the selections made.
- The total dollar amount of the items tested was approximately \$2.75 million. The total amount of the items for which supporting documentation could not be located was approximately \$68,000, or approximately 2.5% of the total dollar amount of items tested.
- We found that some items that were provided to us were originally misfiled and listed as exceptions, before being eventually located and provided to us.

(5) Proof of Payment

Procedures:

- Agree amount of each expenditure verified in Item #4 above to the corresponding evidence of payment (check stub, cancelled check, or bank statement debit, etc.).

Findings:

- Except for the following, each expenditure listed in our selections agreed to the supporting evidence of payment (check stub, bank statement, vendor confirmation of payment, or corporate credit card confirmation of payment).
- Of the 606 items tested, there were thirty-three (33) individual items for which the Company's staff could not locate the supporting evidence of payment. This number represents approximately 5.5% of the selections made.
- The total dollar amount of the items tested was approximately \$2.75 million. The total amount of the items for which supporting documentation could not be located was approximately \$112,000, or approximately 4.1% of the total dollar amount of items tested.
- We found that some items that were provided to us were originally misfiled and listed as exceptions, before being eventually located and provided to us.

(6) Allowable Expenditures

Procedures:

- For each invoice or supporting documentation examined in #4 above, list the type of services provided by the applicable vendor and determine whether that service corresponds to one of the allowable expenditure categories as listed in the Business Plan within Private Offering Memorandum dated April 21, 2010.

Findings:

- For each expenditure selected and for which supporting documentation was provided, the type of goods or services provided by the applicable vendor as listed on the supporting documentation, corresponded to one of the allowable expenditure categories as listed in the Business Plan within Private Offering Memorandum dated April 21, 2010 and summarized above in Item #3 above.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records and operations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management and board of directors of **Seldon Technologies, Inc.** and the general partner of **Seldon Clean Water Products (Asia) L.P.** and their legal counsel in connection with the EB-5 Visa Project, and is not intended to be and should not be used by anyone other than those specified parties.

Braver PC

Needham, Massachusetts
October 28, 2013

S
Transaction Account
All Transactions

Date	Name	Memo	Split	Amount	\$11M Line of Credit	Fund for Other Variable Expenses	Start-Up Fund	Working Capital Fund	Accounting, Corporate On-Going, Audit, Financial
KEY RELATING TO EACH CATEGORY OF BORROWING									
<p>\$11M Line of Credit Fund for Other Variable Expenses Working Capital Fund Start-Up Fund Accounting, Corporate, etc</p>									
3/7/2010	IN-Branch Xfr Credit	Transferred from deposit account 0019100316 INVESTOR RAKAN TARAN	3202- Limited Partner Capital	500,000.00					
3/8/2010	Service Charge	BANK FEES	8575 - Bank Charges	-12.50					
3/8/2010	Seldon Water Division	Phase I borrowing for acquisition costs of materials and equipment	1601-Loan (to SWD)	-52,000.00	\$82,000.00				
11/16/2010		Deposit RECEIPT FROM COMBAT MEDICAL ACCOUNTS RECEIVABLE CUSTOMER PAYT FOR INV'S 1142/1143/CR MEMO 1144 PURCHASES OF FG INVENTORY FROM SWD FOR PRODUCT SOLD TO COMBAT MEDICAL ON INV 1142/1143 \$86273.80 PLUS ROYALTY AND MANAGEMENT FEES \$14673.80	Undeposited Funds	122,280.00					
12/02/2010	Seldon Water Division **	Wire transfer fee	2111 - Accts Payable -SWD	-100,947.20				\$100,947.20	
12/02/2010			8575 - Bank Charges	-12.50					
12/14/2010	Denise Collins	transferred from EBS Dep account INVESTOR DENISE COLLINS	3202- Limited Partner Capital	500,000.00					
12/15/2010	Seldon Technologies, Inc	IDLF (INITIAL DISTRIBUTION LICENSING FEE) RAKAN TARAN AND DENISE COLLINS	1501 Initial Distr. License Fee	-125,000.00					
12/29/2010	Seldon Water Division	PAYMENT TO SWD FOR THE 18.1% MARKETING FEE ON CMS ORDER/INVOICES 1142/1143	2111 - Accts Payable -SWD	-22,132.68					
11/06/2011	Seldon Water Division	Phase I borrowing for acquisition costs of materials and equipment	1601-Loan (to SWD)	-45,000.00	\$45,000.00				
11/07/2011	Emilio Coyns	Deposit from EBS Dep account INVESTOR EMILIO COYRA	3202- Limited Partner Capital	500,000.00					
11/31/2011		Service Charge	8575 - Bank Charges	-12.50					\$12.50
12/07/2011		Service Charge	8575 - Bank Charges	-12.50					\$12.50
3/28/2011	Seldon Technologies, Inc	Start up reimbursement for Jan Payroll pd by STI (start-up borrowing)	2111 - Accts Payable -SWD	-13,449.30			\$13,449.30		
		Feb 2011 Payroll Expense MBrown \$5384.80, B. Staldie \$4481.52 and A. Vitum \$ 2240.00; MBrown \$489.44, B. Staldie \$446.62 A Vitum \$350.58 PR Taxes TOTAL: \$13992.74 (start-up borrowing but check was drawn for \$2.00 lease)							
3/29/2011	Seldon Technologies, Inc	PLUS INV 1157 \$1730.00 reimbursement for StartUp cost Michael T. Hamilla January 2011, AND INV 1163 \$6920.00 Feb 2011 Consulting for Michael Hamilla (start-up borrowing)	2111 - Accts Payable -SWD	-22,040.74			\$22,042.74		
3/29/2011	Peoples United Bank	Nicolas Bekker Assl VP THIS IS THE SCWP FUNDS THAT THE BANK TOOK TO BE COLATERAL FOR THE LINE OF CREDIT	1111A Peoples 6962571565	-300,000.00					
4/14/2011	Vermont Dept of Taxes	STATE OF VERMONT TAX PAYMENT	Income Taxes	-4.00					\$4.00
4/14/2011	Vermont Dept of Taxes	STATE OF VERMONT TAX PAYMENT	Income Taxes	-250.00					\$250.00
4/14/2011	Vermont Dept of Taxes	STATE OF VERMONT TAX PAYMENT	Income Taxes	-10.00					\$10.00
4/14/2011	United States Treasury	FEDERAL TAX PAYMENT	Income Taxes	-7.00					\$7.00
4/25/2011	SWD Seldon Water Division	March 2011 PR expenses Inv 1001 Michael Brown, Brian Staldie and Aaron Vitum Payroll Taxes for Month of March 2011 \$1154.64 (start-up borrowing)	7925 - Startup Expenses	-13,038.68			\$13,038.68		
4/27/2011	SWD Seldon Water Division	Michael Brown, Brian Staldie and Aaron Vitum Payroll Expense for the Month of March 2011 \$11884.04 (start-up borrowing)							
4/27/2011	SWD Seldon Water Division	Phase I borrowing for acquisition costs of materials and equipment	1222 AR SWD	-73,000.00	\$73,000.00				
4/28/2011	SWD Seldon Water Division	Inv 1002 PRODUCT PURCHASES 100 90182, 500 90135 10 80255 40 90307 INV 1003 MBrown, \$6738.75, BStaldie \$5578.80, D.Dunk \$ 5008.82, C. Gaudette \$ 1730.78, A. Vitum \$ 2730.00, T. Varney \$ 960.00 COMBINED \$25129.90 (start-up borrowing)	2111 - Accts Payable -SWD	-65,263.20			\$65,263.20		
5/13/2011	Seldon Water Division **	Inv 1003 Payroll Taxes MB \$567.45, B. Staldie \$426.83, D. Dunk \$ 587.85, C. Gaudette \$ 252.40, T. Varney \$ 160.24, A. Vitum \$407.50 (start-up borrowing)	2111 - Accts Payable -SWD	-40,899.90			\$40,899.90		
		INV 1004 Reimbursement for Startup cost for Consulting paid by SWD April 2011 Michael T. Hamilla \$6920.00 (start-up borrowing)							
		INV 1005 Reimbursement for Startup cost for Consulting paid by SWD Michael T Hamilla March 2011 \$6650.00 (start-up borrowing)							

SC
Transaction Account
All Transactions

Date	Name	Memo	Split	Amount	\$11M Line of Credit	Fund for Other Variable Expenses	Start-Up Fund	Working Capital Fund	Accounting, Corporate On-Going, Audit, Financial
		<u>KEY RELATING TO EACH CATEGORY OF BORROWING</u>							
		511M Line of Credit							
		Fund for Other Variable Expenses							
		Working Capital Fund							
		Start-Up Fund							
		Accounting, Corporate, etc							
15/20/2011	Ravneet Kaur	Deposit from EB5 Dep account INVESTOR RAVNEET KAUR	3202- Limited Partner Capital	500,000.00					
16/14/2011	Seldon Water Division	Inv 1007 Payroll May 2011 Michael Brown \$6384.60, Brian Steldie \$3792.29, D.D. Dunk \$ 7514.43, C. Gaudette \$3481.52, T Varney \$ 1920.00, R Verley \$1920.00, A Vitum \$ 686.40 (start-up borrowing)	2111 - Accts Payable -SWD	-34,393.21			\$34,393.21		
		Inv 1007 Payroll Taxes May 2011 Michael Brown \$411.82, D.D. Dunk \$852.28, C Gaudette \$524.42, Brian Steldie \$ 325.45, T Varney \$300.48, R Verley \$300.48, A. Vitum \$ 98.94 (start-up borrowing)							
		INV 1007 TOTAL: \$27473.21							
		INV 1006 Reimbursement for Startup cost for Consulting paid by SWD							
		MTHamilla MTH 011-114, MTH 011-115, MTH 011-116, MTH 011-117 @1730.00 \$6920.00 (start-up borrowing)							
17/07/2011	Seldon Water Division **	June PR exp reimb INV 1008 \$8880.00 Michael T. Hamilla June 2011 Invoices MTH 011-118, MHT011-119, MTH11-120, MTH011-120, MTH 011-0121, MTH 011-0122 (start-up borrowing)	2111 - Accts Payable -SWD	-39,920.53			\$39,920.53		
		INV 1010 \$5366.00 T. V., R.V. and A. V. June Payroll (start-up borrowing)							
		INV 1011 \$8353.81 Michael Brown \$5115.37 and Brian Steldie \$4238.44 June Payroll (start-up borrowing)							
		INV 1012 \$13307.68 D. Duane Dunk \$10019.24 and Cedrick Gaudette \$3288.44 (start-up borrowing)							
		INV 1013 \$3243.04 Payroll Taxes for June 2011 MB \$381.33, D.D.D. \$1121.76, CG \$484.40, BS \$458.82, T. VS 286.72, R. V. \$297.67 and A.V \$ 182.54 (start-up borrowing)							
17/08/2011	Seldon Technologies, Inc	IDLF (INITIAL DISTRIBUTION LICENSING FEE) EMILIO COYRA AND RAVNEET KAUR	2112 Payable to STI	-125,000.00					
17/22/2011	Seldon Water Division **	PRODUCT PURCHASES 50 60256 MIL 300 PO 11047	2111 - Accts Payable -SWD	-170,850.00				\$170,850.00	
		Base Fee \$2000.00 x345/365 BANK CHARGES FOR THE ESCROW ACCOUNT							
17/27/2011	Peoples United Bank		6575 - Bank Charges	-1,890.41					
18/05/2011	Mehmod Al Mashni	Deposit from EB5 Dep account INVESTOR MAHMOD AL MASHNI	3202- Limited Partner Capital	500,000.00					
18/08/2011		Deposit from Combat Medical Systems for Inv 1146 minus credit memo on SWD THEIR PAYMENT FOR PRODUCT PURCHASED	Undeposited Funds	36,657.40					
18/08/2011	Combat Medical Systems	Cr memo used on check number 11471 for Inv 1146 owed to SCWP from SWD THEIR PAYMENT FOR PRODUCT PURCHASED	2111 - Accts Payable -SWD	-346.25					
18/17/2011	Peoples United Bank	check order	6575 - Bank Charges	-72.00					\$22.00
19/18/2011	Seldon Water Division **	Inv 1015 & Inv 1016 PAYMENT FOR PRODUCT PURCHASES 200,60132 500/60138 150/60313 150/60314	2111 - Accts Payable -SWD	-43,927.75				\$43,927.75	
19/19/2011	Seldon Water Division **	MARKETING, ROYALTY AND MANAGEMENT FEES FOR JULY 2011	2111 - Accts Payable -SWD	-11,437.39					
		Deposit PAYMENT FROM COMBAT MEDICAL INV 1147 PRODUCT PURCHASES AR CUSTOMER	Undeposited Funds	1,589.40					
18/30/2011	Seldon Water Division	Deposit PAYMENT FROM COMBAT MEDICAL INV 1146 FOR Harigel, Mr. Kesliuke SHIPPED TO	1220 - Accounts Receivable	15,007.00					
19/06/2011		Deposit PAYMENT FROM COMBAT MEDICAL INV 1149 & 1150	-SPLIT-	5,212.20					
19/06/2011	CT Corporation	PRODUCT PURCHASES AR CUSTOMER	2111 - Accts Payable -SWD	-5,212.20					
		SOFTWARE REPRESENTATION BILLING							\$568.00
19/09/2011	Seldon Water Division **	INV 1018 M. Brown and Brian Steldie Payroll expense for July 2011, D.D. Dunk and Cedric Gaudette Payroll expense for July 2011, TVarney, RVerley and A. Vitum Payroll expense for July 11 (start-up borrowing)	2111 - Accts Payable -SWD	-44,734.70			\$44,734.70		
		MTHamilla July consulting expense, Payroll taxes for July 2011 for MB DDD, CG, BS, TV, RV, AV (start-up borrowing)							
19/16/2011		Deposit INV 1019 AND 1233 PRODUCT 25 90274, 100 - 90248, 100- 90259, 500 -01006, AND ROYALTY, MGMT FEES FOR AUG FROM SWD	Undeposited Funds	1,713.60					

SC
Transactions Account
All Transactions

Date	Name	Memo	Split	Amount	\$11M Line of Credit	Fund for Other Variable Expenses	Start-Up Fund	Working Capital Fund	Accounting, Corporate On-Going, Audit, Financial
<p>KEY RELATING TO EACH CATEGORY OF BORROWING \$11M Line of Credit Fund for Other Variable Expenses Working Capital Fund Start-Up Fund Accounting, Corporate, etc</p>									
16/19/2011		Deposit INV 1153 COMBAT MEDICAL PAYMENT FOR PRODUCTS	Undeposited Funds	28,710.00					
09/28/2011	Seldon Technologies, Inc	IDLF (INITIAL DISTRIBUTION LICENSING FEE) Mahmud AL Mashni	1501 Initial Distr. License Fee	-62,500.00					
01/04/2011	Seldon Water Division **	PAYMENT FOR PRODUCT ORDER 11047 \$16198.50 AND SALES AND MARKETING FEES SEPT 11	2111 - Accts Payable -SWD	-22,895.53					
01/17/2011		Deposit INV 1155 AND 1157 COMBAT MEDICAL PAYMENT FOR PRODUCTS	-SPLIT-	61,406.35					
01/18/2011	Peoples United Bank	per AJ instruction to Bob Christensen on 10/18/11 RELEASE OF THE COLATERAL HELD BY THE BANK FOR THE LINE OF CREDIT	1111A Peoples 6362571585	301,002.76					
01/18/2011	Seldon Water Division	Borrowing to payoff line of credit with People's Bank	1602 Loan (to SWD 10/18/11)	-293,272.00					5293,272.00
01/21/2011	Seldon Technologies, Inc	Deposit INV 1161 PLUS Q6 ACCTS RECELE ROLITE INDUSTRIES PURCHASE OF PRODUCT	1220 - Accounts Receivable	1,238.20					
		Amount includes payroll expenses of \$36,236.81, payroll taxes of \$8,144.83, payroll expenses of \$70,390.27, payroll expenses of \$5,758.00, payroll expenses of \$11,389.19, consulting fee of \$7,785.00, payroll taxes of \$7,383.03 (amounts equal \$147,068.93 used for start-up funds), clean up A/R of \$623.20, marketing fees of \$20,735.39, product purchase of \$10,732.50, purchase of product of \$6,500.00 and royalty and marketing fees of \$13,747.22							
01/20/2011	Seldon Water Division	COMBAT MEDICAL PURCHASE OF PRODUCTS	2111 - Accts Payable -SWD	-199,405.25			\$147,066.93		
01/31/2011		IDLF (INITIAL DISTRIBUTION LICENSING FEE) Mahmud AL Mashni	Undeposited Funds	28,969.56					
11/14/2011	Ana Maria Guzman Bertullo	Rent Utilities Ins Tax and Common Area Maintenance (6 MOS)	3202- Limited Partner Capital	500,000.00					
11/21/2011	Seldon Technologies, Inc	Deposit INTEREST INCOME FROM STI TO SCWP	2112 Payable to STI	-5,078.40					
11/21/2011		Products of \$85,425.00, interest of \$4,348.13, royalties, marketing and management of \$2,883.40, payroll and salaries of \$107,060.75, payroll taxes of \$7815.04, consulting of \$6,820 (start-up borrowing)	Undeposited Funds	8,192.39					
11/21/2011	Seldon Water Division **	432098792 PRODUCT PURCHASES	2111 - Accts Payable -SWD	-214,453.32			\$121,795.79		
11/07/2011	Seldon Water Division **	Nov PR Invoices payroll and salaries of \$107,817.74, payroll taxes of \$7,606.38, consulting of \$6,228.00 (start-up borrowing)	2111 - Accts Payable -SWD	-85,425.00				\$85,425.00	
11/20/2011	Seldon Water Division	COMBAT MEDICAL PURCHASE OF PRODUCTS	2111 - Accts Payable -SWD	-121,452.12			\$121,452.12		
11/20/2011		marketing fee of \$6,233.64, royalty and management fees of \$4,132.80, payroll and salaries of \$107,315.41, payroll taxes of \$7,391.79, consulting of \$7,220.00 (start-up funds excluding marketing, royalty and management fees)	Undeposited Funds	34,440.00					
11/03/2012	Seldon Water Division	COMBAT MEDICAL PURCHASE OF PRODUCTS	2111 - Accts Payable -SWD	-132,293.64			\$121,927.20		
11/10/2012		\$165,742.74 allocated to start-up funds, but amount was disallowed by auditors because the amount was above the allowed amount of \$750,000 for start-up funds per year. marketing, management and royalty fees of \$4,898.84	Undeposited Funds	12,540.60					
11/17/2012	Seldon Water Division	Deposit INTEREST INCOME FROM STI TO SCWP	-SPLIT-	-170,339.28		\$185,742.74			
11/17/2012	Seldon Water Division	Centers For Disease Control PURCHASE OF PRODUCTS	1222 AR SWD	5,272.13					
11/19/2012		Phase II borrowing for manufacturing scale-up to include additional deposition station, media mixing system improvements, etc.	Undeposited Funds	7,317.00					
11/27/2012	Seldon Water Division	COMBAT MEDICAL PURCHASE OF PRODUCTS	1601-Loan (to SWD)	-100,000.00	\$100,000.00				
11/30/2012		GAMBIT, Phil Gamble PURCHASE OF PRODUCTS	Undeposited Funds	9,817.50					
12/01/2012		COMBAT MEDICAL PURCHASE OF PRODUCTS	Undeposited Funds	13,200.30					
12/28/2012		COMBAT MEDICAL PURCHASE OF PRODUCTS	Undeposited Funds	35,676.00					
1/07/2012	Seldon Water Division	to cover capital expenditure including test lab equipment updates	1601-Loan (to SWD)	-70,000.00	\$70,000.00				
1/09/2012	Ruben Tijerina Orozco	Deposit from EB5 Dep account INVESTOR RUBEN TIJERINA OROZCO	3202- Limited Partner Capital	500,000.00					
1/09/2012	Yvan Pineda	Deposit from EB5 Dep account INVESTOR YVAN PINEDA	3202- Limited Partner Capital	500,000.00					
1/09/2012	Hongyu Wang	Deposit from EB5 Dep account INVESTOR HONGYU WANG	3202- Limited Partner Capital	500,000.00					
1/09/2012	HeFang Wang	Deposit from EB5 Dep account INVESTOR HEFANG WANG	3202- Limited Partner Capital	500,000.00					

SC
Transaction Account
All Transactions

Date	Name	Memo	Split	Amount	\$11M Line of Credit	Fund for Other Variable Expenses	Start-Up Fund	Working Capital Fund	Accounting, Corporate On-Going, Audit, Financial
KEY RELATING TO EACH CATEGORY OF BORROWING \$11M Line of Credit Fund for Other Variable Expenses Working Capital Fund Start-Up Fund Accounting, Corporate, etc.									
04/25/2013	GAMBIT, Phil Gamble		1220 - ACCOUNTS RECEIVABLE	5,135.00					
04/30/2013	Seldon Technologies, Inc AP	re-enter bank rec items from deleted entry IM5	6575 - Bank Charges	-88,055.58					
05/15/2013	SELDON TECHNOLOGIES, INC	REIMBURSEMENT AFTER ANALYSIS OF NIXON PEABODY EBS BILLINGS	7501 - LEGAL FEES	-30,000.00					
05/29/2013	ADS		1220 - ACCOUNTS RECEIVABLE	71.40					
05/31/2013	Seldon Technologies, Inc AP	MGMT FEES TRANSFERED BETWEEN BANK ACCOUNTS 5/15/13	6575 - Bank Charges	-16.57					
06/05/2013	USSOCOM REGIONAL CONTRACTING		2111 - INTERCOMPANY AP	-1,273.48					\$16.57
06/11/2013	ADS	record bank fee	1220 - ACCOUNTS RECEIVABLE	10,106.00					
06/21/2013	ADS		6575 - Bank Charges	-15.95					\$15.95
06/21/2013	National Defense - Canada		1220 - ACCOUNTS RECEIVABLE	285.60					
06/21/2013	YSSI		1220 - ACCOUNTS RECEIVABLE	3,746.46					
07/01/2013		Ck 1091 BDO Involco 364704 for audit fees	1220 - ACCOUNTS RECEIVABLE	1,668.26					
07/01/2013	SELDON TECHNOLOGIES, INC.	To record temporary loan to STI	7502 - AUDIT FEES	-5,000.00					
07/01/2013		Ck 1092 BDO Involce 364704 for audit fees	1222 - INTERCOMPANY AR	-20,000.00					
07/01/2013		Record 7/11 bank fee	7502 - AUDIT FEES	-10,000.00					
07/29/2013	ADS		6575 - Bank Charges						\$15.93
07/26/2013	HQ AFSOC/SG		1220 - ACCOUNTS RECEIVABLE	60,199.40					
08/09/2013	US ARMY SF	130731 650051389587	1220 - ACCOUNTS RECEIVABLE	525.20					
			1220 - ACCOUNTS RECEIVABLE	5,650.86					
		TOTAL		\$ 122,312.74	\$393,847.50	\$667,409.25	\$720,521.10	\$466,413.13	\$298,251.74
		THIS IS THE BALANCE AS OF 09/08/2013		\$ 122,312.74					

EXHIBIT G

The Economic Impact of the Seldon Clean Water Products (Asia) LP (SCWP) EB-5 Project in the Vermont State Regional Center



Seldon 

JANUARY 6, 2014
DECEMBER 22, 2014 Update

Prepared by:



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Redacted per §317(c)(7)&(9)

Exhibit 1:

The Business of Regional Dynamics, Inc.:

Economic Modeling Redefined – Source: Regional Dynamics, Inc.

The Business of Regional Dynamics, Inc.
Economic Modeling Redefined

Regional Dynamics is an economic modeling company. We offer the REDYN advanced economic model by web subscription or batch services to consultants, agencies, firms, planners, and analysts (users). REDYN runs on the Internet. Subscriptions include advice to apply and interpret the model. Our model estimates the multi-regional impacts and year-by-year (dynamic) nonlinear effects on industries, consumers, and governments from changes in company sales, jobs, wages, or investments; changes in taxes or personal or government spending; or public policy changes such as energy, environment, school, health, or security measures. The results are called simulation forecasts, or simulations.

Our model is a fundamental re-envisioning of economic theory applied to estimating multi-regional, dynamic effects. It reflects advances in New Economic Geography, especially gravity theory (regional attraction) and trade flow (regional imports/exports), based on a new distance impedance database from Oak Ridge National Laboratories that enables calculating trade flow by commodity by road, rail, water, air, and proxy transport. The breakthrough in design is the commodity production linkage between the trade flow process and an entity-based data structure for the economy. Entities include industries, workers, governments, investors, etc., and commodities are the goods they use and make.

The upshot—users can build and run multiple online custom models on the fly for solid project analysis. These features make REDYN more flexible, complete, and accessible than any other modeling process—in a nutshell: *No sticker shock; better solutions.*

Because our model runs on the Internet for all 3,100+ US counties, it meets the need for multi-regional tools usable by state, regional, Federal, and consulting organizations who share policy or forecasting interests or economic impact interests in the same geographic areas. The model's fresh, efficient design and its Internet accessibility make it ideal for supporting long-term collaborative efforts as well as for doing individual studies.

The model also is ideal for studying effects of sequential regional inputs, or generating a schedule of responses from a large set of alternative inputs, across a very large number of counties. Repetitive changes across many regions may be better handled as an offline batch job following an analytic script rather than as an Internet project. However, the batch approach has an engagement element as follows: After a user calls us, we accept and review the user's study information, set up and run the script, then produce and deliver agreed brief script reports in hard copy or electronic format from the simulation results. Alternatively, users can subscribe online to their simulation results so they can create their own simulation-based script reports at will for open-ended multiple studies.

We offer model subscriptions to consultants, but we're not in the consulting business. We're happy to initiate or partner with consultants if an agency, company, or other group issues a request for proposals (RFP) to do a study involving economic modeling and consulting. However, we'd prefer that the consultants do the modeling and produce the study defined in the RFP, and mention our name and modeling process in the study.

Exhibit 2:

How the Regional Dynamics Economic Model Works:
The REDYN Model in a Nutshell – Source: Regional Dynamics, Inc.

How the Regional Dynamics Economic Model Works

The REDYN Model in a Nutshell

REDYN is a dynamic, nonlinear, endogenous, Input-Output (I-O), computable general equilibrium (CGE) economic and demographic forecasting and analysis engine based on the North American Industrial Classification System (NAICS). REDYN's online model-building edge excels at providing a uniquely complete and consistent Internet tool to configure and access plans, policies, events, and risks fully and very rapidly.

The REDYN model reflects advances in New Economic Geography (NEG) for gravity theory and trade flow to estimate all local and multi-regional trade flow effects by commodity by distance by transport mode by direction in response to any output or demand changes. It does not lock each industry into a straight-line industry transport cost within one implied universal transport distance, mode, and direction between county pairs. In addition, its multi-regional scope always includes the whole regionalized US economy in every forecast and simulation.

REDYN's breakthrough design links three elements into one core activity: its continuous make-and-use commodity transformation production function, its NEG trade flows, and its entity-based data structure for the economy (social accounting matrix). All industries and entities including labor both use and make one or more commodities (goods and services). All commodities use appropriate transport modes, or communications mode if non-material.

The REDYN model moves all commodities including labor both within counties and between all county pairs and the automatic rest-of-US area by five transport modes (road, rail, water, air, and estimated). It uses I-O transport demand and Cobb-Douglas step-wise adjustments (equal proportion changes, i.e., constant elasticity of substitution) to assign commodities to modes, and a detailed Oak Ridge National Laboratory impedance database to account for accessibility (impedance) by mode, distance, and travel direction by commodity (accounting for net elevation difference effects) between all origin-destination pairs.

Users can control access (impedance) either at a mode level, or at a commodity-by-mode level. The Cobb-Douglas shift of commodities toward transport mode(s) with increased accessibility (reduced impedance values) induces changes in delivered prices for all affected commodities including labor. The industries or entities producing or using the affected commodities then adjust their output and thus their need for inputs.

The price-driven output and input adjustment process also applies if a user models a non-transport change or policy, such as an impact, demand, cost, tax, or price scenario. These changes affect local and remote supply and demand for one or more commodities, and thus their delivered prices after they pass through the transportation system. To varying degrees, the process then affects delivered prices, outputs, and inputs for all commodities through the continuous commodity transformation production function applied by every industry and entity wherever located. Expressed over time and distance, this ongoing cycle is the essence of modern CGE-NEG modeling and forecasting defined by REDYN.

Operationally, REDYN's multi-processor Internet server carries active regions for over 3,100 counties, 700 industries, 820 occupations, hundreds of commodities, and a 50-year forecast in a 2-terabyte database. It offers much more power, flexibility, and multi-user access, including consultant and institutional collaboration, than desktop systems offer.

The REDYN model framework takes the traditional economic concept of the circular flow diagram absolutely seriously, and discards the artificial primacy given to the idea of factor inputs to production. The framework views the economy as a comprehensive, continuous process in which industries and entities convert input commodities into output commodities. For example, producers or industries clearly do this, as is seen in the classic I-O table structure based on real-world business behavior.

Labor too can be viewed as an “industry” or entity. It converts consumer goods and services into a wage bill, which is a market commodity behaviorally identical to any other. Similarly, remittance cohorts, defined as the unemployed as well as all individuals such as retired persons and others who receive government payments through transfers, can be seen as entities that convert consumer goods and services into transfer payments.

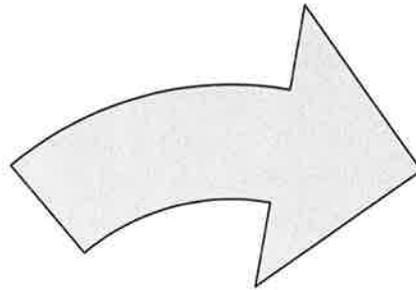
Likewise, governments convert purchases of commodities including industry goods and services and labor’s wage bill into government goods and services that are “purchased” primarily through tax revenue. Finally, the model includes “investors” to produce financial capital, “speculators” to produce physical capital, and “land” to anchor each regional economy with its particular attributes so that the regions do not collapse together as would occur if all regions had the same basic labor, farm, water, mineral, and infrastructure resources when multiregional transport costs are considered.

The REDYN model can be visualized as regional entities using, making, and moving commodities in an organized circular process that captures supply (making goods and services), demand (using goods and services), and delivered price (costs for making and moving goods and services) to clear the supply and demand for all commodities in and across all regions.

The charts on the next five pages summarize the model’s operation as follows...

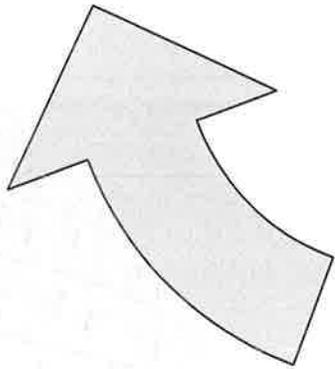
- Circular Flow Economic Entity Process
- Commodity Make Table by Entity
- Commodity Use Table by Entity
- Entity Production Function Form by Region
- Demographics and Migration
- Economic Model Schematic Summary
- Economic Model Production Function and Commodities by Entity
- Economic Model Prices and Trade Flow

CIRCULAR FLOW ECONOMIC ENTITY PROCESS In & Between All Regions

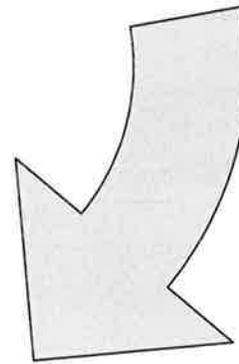


USE Commodities:
Demand
 (Delivered Price =
 ExWorks Price +
 Transport Cost)

MAKE Commodities:
Supply
 (ExWorks Price, i.e.,
 price at source of good
 or service)



MOVE Commodities:
Trade Flow
 (Transport Cost by
 Commodity, Distance,
 Mode, and Direction for
 all Regional Pairs)
 5 Modes: Road, Rail,
 Water, Air, Other



ENTITIES	Producer	Wage	Transfr	Govt	Fincl Cap	Phys Cap	
MAKE:	Goods	Bills	Pmts	Goods	(Div-Int-Rent)	(Resid, P&E)	Land
Producers	x						
Labor		x					
Remittance Cohorts			x				
Governments				x			
Financial Capital Providers (Investors)					x		
Physical Capital Makers (Speculators)						x	
Land							x

ENTITIES USE—	<u>Producers</u>	<u>Labor</u>	<u>Remits</u>	<u>Govts</u>	<u>Investors</u>	<u>Spec</u>	<u>Land</u>
Producer Goods&Svcs	x	x	x	x	x	x	
Labor (Wage Bill)	x			x		x	
Transfr Pmts/Taxes				x			
Govt Goods&Svcs	x	x	x	x	x	x	
Fincl Cap (Div-Int-Rent)						x	x
Phys Cap (Resid, P&E)	P&E	Res	Res	P&E	Res		
Land	x	x	x	x	x	x	

Entity PRODUCTION FUNCTION FORM by Region

<u>Input Demanded</u>				<u>Output (Sales) Supplied</u>				
<u>Commodity</u>	<u>Qty</u>	<u>RPC</u>	<u>DlvrD Price</u>	<u>Jobs</u>	<u>Commodity</u>	<u>Qty</u>	<u>ExWorks Price</u>	<u>Intl Pct</u>
Land	x	1.0	x		Primary	x	x	x
Residential	x	x	x		2nd	x	x	x
Financial	x	x	x		3rd	x	x	x
Plant&Equip	x	x	x		4th	x	x	x
Wage Bill	x	x	x	x	Others/Misc	x	x	x
Goods&Svcs	x	x	x		Scrap	x	x	x

DEMOGRAPHICS: Cohort-survival estimation

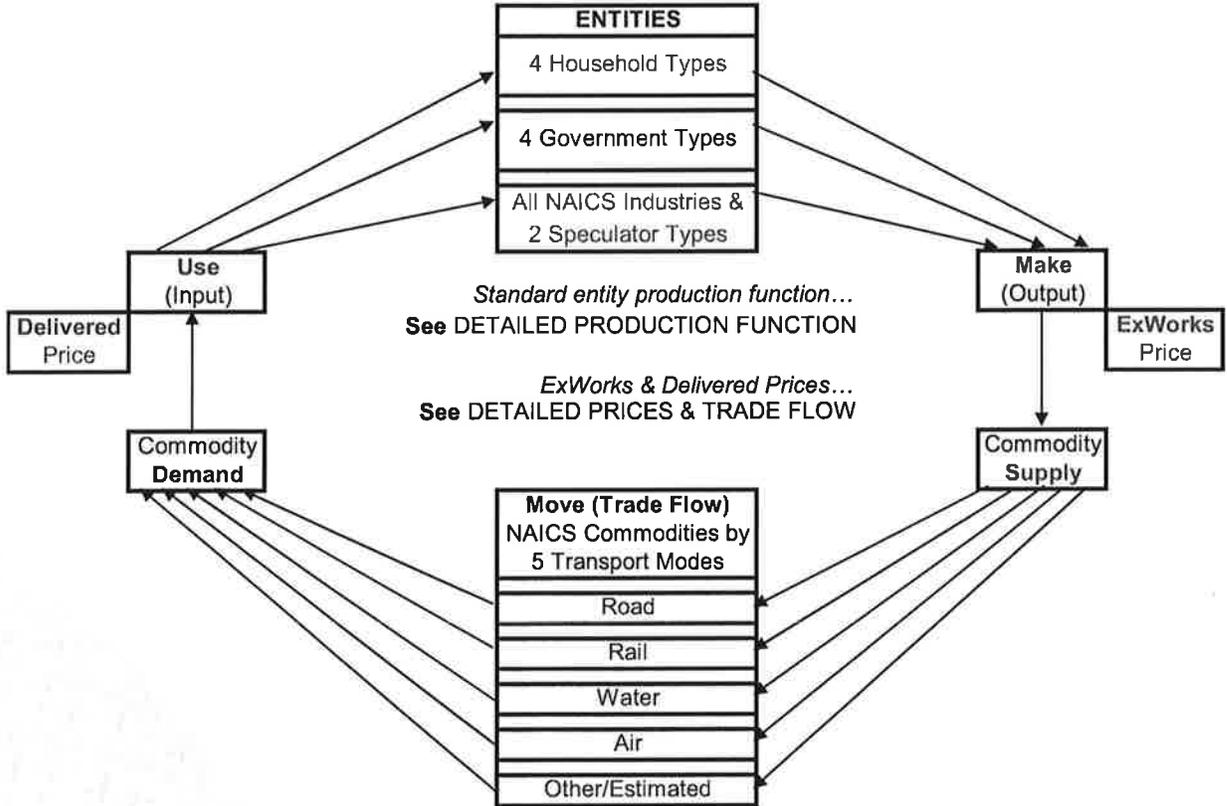
- White, non-Hispanic
- Black, non-Hispanic
- Other, non-Hispanic
- Hispanic
- Male or Female
- Ages 0-1, 2-99 by year, 100+ years

MIGRATION: Induced by economic activity

- Intrinsic behavior of economic labor's wage bill commodity (historical relationships by region across wage bill, output, jobs, and people)
- Estimate wage bill and output changes, then scale to jobs and people (rational expectations notion)
- Subject to regional constants by cohort (controls for demographic composition)

REDYN Economic Model Schematic-SUMMARY

1/21/2006



REDYN Economic Model Schematic-DETAILED ENTITY PRODUCTION FUNCTION

1/21/2006

Standard Make & Use Production Function for All Entities

Entities ... Producers, Labor, Remittance Cohorts, Govts, Investors, Speculators

Standard Make & Use Production Function by Entity Group ...

Industries (By NAICS Code); Speculators (Capital Goods Makers: Residential, and Nonres Plant & Equip)

Use Commodites: Land, P&E (Indus only), Financial (Spec only), Labor, Goods&Svcs [Dlvrd Prices]

Make Commodities: Producer Indus (Primary, Others, Misc, Scrap); Spec (Res, P&E) [ExWorks Prices]

Households (Workers; Unemployed & Retired; and Savers)

Use Commodites: Land, Res, Goods&Svcs [Dlvrd Prices]

Make Commodities: Wage Bill, Proprietors Income, Transf Pmts, Div-Int-Rent [ExWorks Prices]

Govts (Fed Mil & Nonmil, and State & Local Educ & Noneduc)

Use Commodites: Land, Transf Pmts/Fees&Taxes, P&E, Labor, Goods&Svcs [Dlvrd Prices]

Make Commodities: Primary, Others, Misc, Scrap [ExWorks Prices]

Commodites

All NAICS Commodites ... Supplied & Demanded ...

Aggregated by Detailed NAICS Commodity Across All Entities by Region ...

Supplied Categories (Make By)

Land (Fixed by Region)
Residential (Speculators)
Div-Int-Rent (Households)
Plant & Equip (Speculators)
Wage Bill & Prop Income (HH)
Transf Pmt/Fee/Tax (HH/Indus/Spec)
Primary/Others/Misc/Scrap (Producers & Govts)

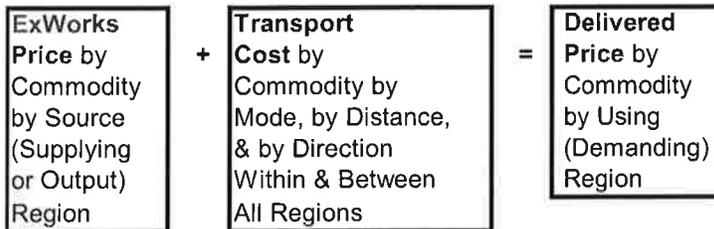
Demanded Categories (Use By)

Land (HH, Govts, Indus, Spec)
Residential Capital (HH)
Financial/D-I-R Capital (Spec)
Plant & Equip Capital (Govts, Indus)
Labor (Govts, Indus, Spec)
Transf Pmts/Fees&Taxes (Govts)
Goods&Svcs (HH, Govts, Indus, Spec)

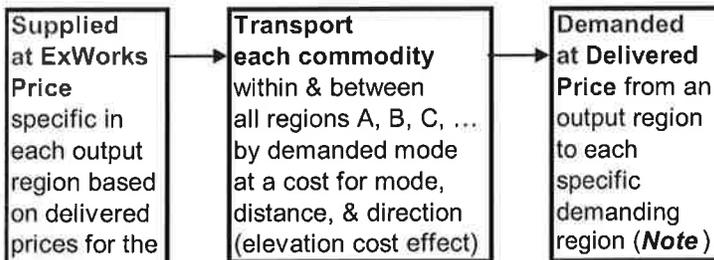
REDYN Economic Model Schematic-DETAILED PRICES & TRADE FLOW

1/21/2006

Prices & Trade Flow ...



Details on Prices & Flows ...



Note on Delivered Price

In any demanding region, the delivered price by commodity is the blend across the supplying output regions ranked by lowest delivered price to the demanding region until the total quantity demanded has been met for the demanding region.

Exhibit 3:

REDYN Model Data Sources and Baseline Estimation Process:

Where the REDYN Model Gets Data – Source: Regional Dynamics, Inc.

REDYN Model Data Sources and Baseline Estimation Process

Where the REDYN Model Gets Data

Regional Dynamics uses several sources to estimate county-level employment and output for its baseline database. The REDYN model applies the North American Industrial Classification System (NAICS) at the five-digit detail level (703 industries), and also uses NAICS to identify all the goods and services (over 180 commodities) consumed and produced by the detailed industries. NAICS is used by the US Government to classify and organize information about all the various industries making up the US economy, such as retail stores, automobile manufacturing, insurance firms, and so forth. NAICS reports five levels of detail. The two-digit level aggregates all activity into 24 broad economic industries, and the five-digit level identifies activity across 703 specific industries.

The primary data sources are the County Business Patterns (CBP) from the Bureau of the Census, and the Regional Economic Information System (REIS) from the Bureau of Economic Analysis (BEA). Wage Bill (payroll) data are derived from the same sources and with the same techniques as the employment data. The CBP reports the total annual payroll for each NAICS code up to the five-digit level of detail for the US as a whole and for every region, state, and county. However, total employment data and total payroll data are subject to data suppressions for privacy. Regional Dynamics developed a sophisticated row-and-column sum (RAS) analytic system to fill all data suppressions by using all information available in the CBP series and guaranteeing internal consistency with unsuppressed wage and employment data. All the furnished and estimated CBP wage bill and employment data are then totaled and scaled to match the wage bill and employment data reported in the BEA's REIS, which includes all county and state wage bill data at three-digit NAICS detail and employment data at two-digit NAICS detail.

The REIS directly provides wage bill and employment data for the government and agriculture sectors, and also disposable personal income data by county. The REIS county income data are used to allocate national consumption to counties from the BEA's National Income and Product Accounts (NIPA).

Annual Input-Output (IO) tables are constructed using BEA IO make-and-use tables, as well as biennial 10-year IO forecast tables from the Bureau of Labor Statistics (BLS). Make tables describe all the commodities made by each economic entity, and use tables describe all the commodities used by each economic entity. The very detailed BEA IO make-and-use tables are extended year-by-year to match the annual changes in make-and-use composition implied by the current 10-year BLS IO tables. This generates a detailed annual forecast series of national IO make-and-use tables.

Each county's wage bill by industry is used to allocate each industry's national output to counties from the NIPA, and then the regional output by industry is allocated to commodities based on the national IO make table proportions. This assumes that the commodities produced by an industry are truly joint in the production process, as dictated by a uniform production function for all firms in each industry based on competitive pressures to diffuse advantages quickly across all firms in an industry.

Exhibit 4:

The Regional Dynamics Economic Analysis Model:

What the REDYN Model Does – Source: Regional Dynamics, Inc.

The Regional Dynamics Economic Analysis Model

What the REDYN Model Does

Regional Dynamics offers REDYN, a fundamentally new, web-based, massively multi-regional, dynamic, nonlinear New Economic Geography analysis engine with a complete economic database and baseline forecast. After subscribing to the system, users input online changes by region and year: e.g., jobs, wages, output, income, intermediate demand, and final consumption, investment, and government demand. REDYN then estimates detailed, annual, gravity-based trade flows and impacts in all US counties and industries. The model is a live, online Internet service. It's also available to run batch mode jobs to process massively multi-regional tasks (3,100+ regions) for automated or scripted work.

The REDYN model applies a fresh I-O methodology based on very detailed make-and-use tables with social accounting matrix features for all entities, a comprehensive commodity production transformation function, and impedance-based commodity trade flows by five transport modes. Oak Ridge National Laboratories developed the impedance measures.

The model automatically includes an explicit extra region for all US counties outside any given simulation to identify the full US output and trade flow response. The model also automatically seeks the suppliers of suppliers to find the complete US supply chain response by region and industry in any simulation.

REDYN excels at offering a uniquely complete and consistent model-building edge that no other modeling process can replicate for configuring and assessing plans, events, and risks fully and rapidly across regions and years.

Here's how it works. At run time, users apply their subscribed resources as an online tool kit to build and run custom models at will. This design flexibility lets users quickly build models scaled correctly for any studies, event analysis, overlapping or alternative analytic perspectives, or backcast analysis.

The REDYN model estimates employment, output, wages, occupations, income, gross product, demand, self-supply, trade flow, etc. Within a user's subscription, the model generates year-by-year reports by county and year, for all subscribed counties, or for any aggregation into user-defined areas for each study. For easy regional comparison at no extra cost, each report focuses on one concept (jobs, output, wages, and so forth) arranged by region by year on a sheet in a spreadsheet book. Users then can apply full spreadsheet tools for sorting and charting. Online and phone support are included.

The model is available to all users across agency levels. Clients can offer access to other users through user-group web pages with discounts or rebates based on the size of the client's subscription. Clients subscribe to a regional area (one or more counties, states, or groups); to 703 industries (North American Industrial Classification System); and to an analytic type (I-O only, or equilibrium and I-O). The client sets the number and identity of its subscribing users; one user is free. Subsequently added users including consultants or staff can be managed by one or more additional users on an incremental fee basis.

Exhibit 5:

Feature Comparison – Major Commercial Economic Models

Source: Regional Dynamics, Inc.

Feature Comparison – Major Commercial Economic Models

Feature	REDYN	REMI	IMPLAN	RIMS	Notes
Access/Subscription	Internet/Yes	Desktop CD/No	Desktop CD/No	Desktop CD/No	1*
Process to Deliver Custom Study Models	Immediate at user run time, any time	Queue, batch, + mail or overnight	Batch + mail or overnight	Batch + mail or overnight	2*
# of Custom Area Study Models per User	Build any custom models as needed	One (1) model per client	Alternative single regions only	Alternative single regions only	3*
Fee for User-defined Custom Study Models	None within subscription	Non-trivial fees for more models	None, but 1 region only	None, but 1 region only	4*
Dynamic Forecast	Yes (50 years)	Yes (to 2050)	No	No	5
Nonlinear Forecast	Yes	Minimal	n/a	n/a	6
Active Multi-regions	3,100+	80+ maximum	None	None	7
Automatic MRUS	Yes	No	n/a	n/a	8*
Impedance Database	Yes	No	No	No	9*
# of Transportation Modes (Trade Flow)	5 (road/rail/air/water/special)	None	None	None	10*
Last History Year Lag	Soon: 6-7 months	2+ years	2 years	90-180 days	11*
Industry Detail	NAICS 5 (703)	REMI 3 (169)	NAICS 2-5 (509)	NAICS (473)	12
Commodity Detail and Classification Type	NAICS /180+ non-agr commods	None	SIC /528 commods incl agr	None	13*
Std Occup Code Detail	820+ /SOC 6-digit	90+ /std; 820+ /fee	None	None	14
IO Tables	Make & Use	Industry only	Make & Use	Industry only	15
Integrated IO-SAM	Yes	No	Partial	No	16*
Wage Bill & Empl	CBP & REIS	CBP & REIS	CBP & REIS	REIS only	17
Suppression Fill for Wage Bill & Empl	NAICS 5-digit RAS process	NAICS 4-digit statistical process	Yes, but not exhaustive	n/a	18
Disposable Income incl Commuters	REIS direct & Res Adj/JTW/gravity	REIS directly & Res Adj/JTW	REIS directly & Res Adj/JTW	No data access	19*
County Consumption	REIS & NIPA	REIS & NIPA	REIS & NIPA	No data access	20*
County Output	Wages & NIPA	Wages & NIPA	Wages & NIPA	No data access	21*
County Output by Commodity	Output & detailed IO Make Table	None	Output & IO Make Table	None	22
Demographics/Migr	Yes/rational migr	Yes/adaptive migr	No	No	23*
Business Cycle	Yale—Fair-Parke	U. Mich.—RSQE	n/a	n/a	24
BEA IO Forecast	Yes	No	No	No	25*
Multi-regional Search for All Suppliers	Search process by region for full US	Search step only for client's regions	Search step only for one region	n/a	26*
Analytics	CGE and IO	CGE and IO	IO only	Multipliers only	27
Jobs+Wages+Output	Blended handling	Double count input	Double counts	Double counts	28
Backcasting	Plan 1998 in 2006	No	No	n/a	29*
Subcounty Regions	Plan for 2006	Yes (manual)	By ZIP Code	No	30
Production Function Includes All Supply, Demand, Trade Flow	Inclusive function for IO and CGE processing	Non-inclusive function needs post process equations	No endogenous gravity-based trade flow	n/a	31*
Displacement Effect	Allocated or Prop	Allocated only	No	No	32*
Induced Investment	Yes	Yes	No	n/a	33
Fiscal Effects	Yes (standalone)	Yes (integrated)	No	No	34
Display Data Results	Multi-regional	Region by region	One region	One region	35*
Consultant/Other User	Incremental fee	Non-trivial fees	Full price fee	No added fee	36*

***/ Line Notes for Features:**

1-4: REDYN subscribers subscribe to a pool of regions from which to build custom run time models at will.

8: The REDYN model automatically creates and reports on an active extra region for the rest-of-US outside the region(s) being modeled. This allows results for the selected region(s) to reflect endogenous trade flow, supply chain, and other demand effects stemming from the whole multi-region US (MRUS) model.

9, 10, 13: REDYN's New Economic Geography (NEG) engine applies a complete database of impedance measures by transport mode developed by Oak Ridge National Laboratories. Unlike straight-line measures, impedance can differ between regions with the mode and with the direction of travel, and trade flows can be estimated by commodity by mode. ORNL's database also enables REDYN's equilibrium model to estimate economic effects from transportation network models, and to estimate freight system effects on the economy due to commodity volume changes or transport mode capacity changes in county transportation networks.

11: The REDYN model uses available CBP and REIS county values to allocate current US wage bill and employment data to populate counties with apportioned detail numbers. Initial data from 2001; soon 2005.

16: The REDYN commodity make-and-use Input-Output tables use a Social Accounting Matrix to capture every economic entity type. Entities include producers (industries), employed labor (occupations), remittance cohorts (unemployed labor, retirees), governments, investors, and speculators. Commodities include producer commodities, labor occupations, transfer payments, government goods, financial capital, and physical capital.

19-21: The impedance database (note 9 above) enables REDYN to separate the process for populating the database from processes for estimating a gravity model's effective distance parameters. REDYN can use gravity analysis on commuter Journey-to-Work to estimate occupations and income levels by residence.

23: Intrinsic rational expectations induce migration from economic activity subject to cohort regional constants.

25: The REDYN model extends the very detailed BEA IO make-and-use tables year-by-year to match the annual changes in make-and-use composition implied by the 10-year BLS IO tables. This generates a detailed annual forecast series of national IO make-and-use tables.

26: The REDYN model applies the detailed national IO use tables to estimate a complete US multi-regional supply response to indirect and induced demand, and to exogenous final demand, in a search cycle which looks for the suppliers of suppliers across all US industries by every US region until the process cuts off.

29: The REDYN model will use 2001-2002 county values to allocate 1998-2000 US NAICS data to counties.

31: The inclusive REDYN commodity transformation production function captures all production and NEG gravity relationships – there is no need for post-process adjustment equations. Detailed industries and other entities by region by year transform input commodities into output commodities using a robust, nonlinear, dynamic, parameterized, endogenous, iterative production function in a continuous process that fully includes intermediate and factor inputs, final demand, jobs and output, and endogenous gravity trade flows.

32: Displacement is sales crowding out; REDYN allows supply-source allocation or equal proportion crowding.

35: The REDYN report suite automatically includes a comparative regional display format as an embedded feature at no extra cost. Results are generated as sheets in a spreadsheet book with full sorting, charting, scaling, and pivot capabilities.

36: Subscribers can offer access to other users (e.g., mixed state/local agencies, partners, clients, etc.) through user-group web pages with discounts or rebates up to 50% based on the size of the master subscription—and subscribers and other users can add staff or consultants by one or more new users on an incremental fee basis.

EXHIBIT H

MEMORANDUM OF UNDERSTANDING

BETWEEN

**STATE OF VERMONT
AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT**

AND

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

This Memorandum of Understanding ("Agreement") is made and entered into on December 22, 2014, by and between:

State of Vermont Agency of Commerce and Community Development,
and its successors and assigns ("ACCD"), and

State of Vermont Department of Financial Regulation, and its
successors and assigns ("DFR").

WHEREAS

ACCD, a governmental unit of the State of Vermont, is charged with enhancing the Vermont business climate; marketing Vermont to businesses and individuals; and facilitating, promoting, and creating business opportunities within Vermont to contribute to the economic viability and growth of the state;

DFR, a governmental unit of the State of Vermont, is statutorily charged with supervising organizations that offer financial services and products to ensure the solvency, liquidity, stability and efficiency of all such organizations; protecting consumers against certain unfair and unlawful business practices; promoting reasonable and orderly competition; encouraging the development, expansion and availability of financial services and products advantageous to the public welfare; and maintaining close cooperation with other supervisory authorities ("DFR's Mission");

ACCD is an approved and designated Regional Center recognized by the U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services ("USCIS") in accordance with the Immigrant Investor Pilot Program pursuant to section 203(b)(5) of the Immigration and Nationality Act, as amended, the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act of 1993, Pub. L. No. 102-395, section 610, as amended, and all applicable regulations promulgated thereunder, (collectively, the "Pilot Program law");

Initial designation as a Regional Center was made in a letter dated June 26, 1997, to Howard Dean, M.D., Governor of the State of Vermont from legacy U.S. Immigration and Naturalization Service (INS), informing him of the ACCD's designation as a Regional Center; reaffirmation of ACCD's Regional Center was given by USCIS in a letter dated June 11, 2007 to Kevin L. Dorn, secretary of ACCD; and the ACCD Regional Center designation was amended and approved for EB-5 investment across a wider range of business sectors by USCIS in a letter dated October 6, 2009 to Kevin L. Dorn, secretary of ACCD;

As a USCIS approved and designated Regional Center within the Immigrant Investor Pilot Program, ACCD is responsible for: (i) actively marketing and promoting the Regional Center as an attractive option for development and foreign investment ("Marketing Activities"); (ii) approving developments that apply for designation as a Regional Center project ("Project Approval"); and (iii) on-going monitoring of approved Regional Center projects to assure compliance with USCIS EB-5 regulations, U.S. immigration laws and regulations and federal and state securities laws ("On-Going Compliance");

ACCD has the personnel, capacity and expertise to effectively carry out the Marketing Activities, and believes the Regional Center would benefit operationally, and obtain a competitive advantage by enlisting the assistance of personnel, capacity and expertise of DFR to carry out the Project Approval and On-Going Compliance functions;

DFR has agreed to assist ACCD in carrying out the Project Approval and On-Going Compliance functions as these functions are within DFR's Mission and DFR has the available resources to effectively carry out these functions; and

NOW, THEREFORE, in consideration of the mutual agreements, and representations set forth herein, the parties agree as follows:

I. Relationship with USCIS.

- a. ACCD shall retain all reporting responsibilities with USCIS including: (i) remaining the principle point of contact with USCIS on all Regional Center matters; and (ii) maintaining responsibility for the annual completion and filing of the Form I-924A.
- b. ACCD Secretary shall remain a Principal Representative and DFR Commissioner shall be added as a Principal Representative.
- c. ACCD General Counsel and EB-5 Regional Center Director shall remain the Principal Administrators.

- d. DFR shall cooperate in assisting ACCD with fulfilling its USCIS reporting obligations by providing or obtaining information within its control.

2. Marketing Activities.

- a. ACCD shall conduct all Marketing Activities and fulfill any USCIS requirements pertaining to the promotion of the Regional Center.
- b. DFR shall assist ACCD with Marketing Activities when requested and if feasible.
- c. Any marketing materials that describe DFR and/or DFR's Regional Center functions shall be approved by both ACCD and DFR prior to dissemination.

3. Project Approval.

- a. Upon learning of a prospective Regional Center project, ACCD shall promptly inform DFR and as soon as practical obtain a completed preliminary due diligence questionnaire (to be provided by DFR) from the principals of the prospective Regional Center project.
- b. ACCD shall promptly forward all materials related to a project seeking Regional Center approval to DFR for review and consideration.
- c. DFR shall review the application for compliance with USCIS EB-5 regulations, U.S. immigration laws and regulations and federal and state securities laws and make a final determination to approve or deny the application.
- d. If an application is approved, then ACCD and DFR shall work with the project's principals to develop a memorandum of understanding that will govern the parties' relationship through completion of the project (the "Project MOU").

4. On-Going Compliance.

- a. DFR shall be responsible for conducting On-Going Compliance of an approved project. Such On-Going Compliance shall include, but not be limited to:
 - i. Quarterly visits to project sites to monitor and verify the representations made by the project's principals regarding the development;

- ii. On-going monitoring of Project to ensure compliance with MOU covenants;
- iii. Regularly scheduled meetings with project principals regarding updating on the progress of the development;
- iv. Compiling the name, date of birth, petition receipt number, and alien registration number (if one has been assigned by USCIS) of each principal alien investor who has made an investment and has filed an I-526 Petition with USCIS, specifying whether: (i) the petition was filed; (ii) approved; (iii) denied; or (iv) withdrawn by the petitioner, together with the date(s) of such event(s);
- v. Compiling the total number of visas represented in each case for the participating principal alien investor identified, plus his/her dependents (spouse and children) for whom immigrant status is sought or has been granted;
- vi. Compiling the country of nationality of each alien investor who has made an investment and filed an I-526 petition with USCIS;
- vii. Compiling the U.S. city and state of residence (or intended residence) of each alien investor who has made an investment and filed an I-526 petition with USCIS;
- viii. Compiling the following information for each alien investor: (i) the date(s) of deposit(s) into escrow; (ii) date(s) of investment(s) in the commercial enterprise; (iii) the amount(s) of investment(s) in the commercial enterprise; and (iv) the date(s), nature, and amount(s) of any payment/remuneration/profit/return on investment made to alien investors by the new commercial enterprise and/or project from when the investment was initiated to the present;
- ix. Compiling a list of each of the target industry categories of business activity within the Vermont EB-5 Regional Center that have received alien investors' capital, and in what aggregate amounts;
- x. Compiling a list of each of the target industry categories of business activity within the geographic boundaries of the Vermont EB-5 Regional Center that have received non-EB-5 domestic capital that has been combined and invested together, specifying the separate aggregate amounts of domestic investment capital;
- xi. Compiling the following information for the total investor capital (alien and domestic), identifying: (i) the name and address of each

“direct” job creating commercial enterprise; (ii) the industry category for each indirect job creating investment activity;

- xii. Compiling the total aggregate number of approved EB-5 alien investor I-526 petitions per each federal fiscal year to date made through the Vermont EB-5 Regional Center;
- xiii. Compiling the total aggregate number of approved EB-5 alien investor I-829 petitions per each federal fiscal year to date through the Vermont EB-5 Regional Center; and
- xiv. Compiling the total aggregate sum of EB-5 alien capital invested through Regional Center for each federal fiscal year to date since your inception.

5. Communication between ACCD and DFR.

- a. ACCD and DFR agree to conduct meetings, either in person or by telephone/teleconference, not less frequently than every three months commencing on the Effective Date (“Quarterly Meetings”).
- b. ACCD and DFR agree to promptly inform the other if one has knowledge of a material change to a project application, and/or suspicious activity, potential or actual securities violation(s), or fraud specific to a project or any activities related to the Regional Center.
- c. DFR shall employ best efforts to inform ACCD of the time and date of the project quarterly visits and ACCD may attend DFR scheduled quarterly visits if it so chooses.

6. Investor Relations and Formal Complaints.

- a. ACCD shall be responsible for fielding and responding to inquiries from investors or prospective investors or their respective attorneys.
- b. DFR shall provide ACCD with a complaint form that investors may use to lodge a formal complaint against a project or its principals.
- c. Upon receiving a completed formal complaint, ACCD shall promptly forward the complaint to DFR.
- d. DFR shall be solely responsible for investigating the complaint’s allegations and determining whether such allegations warrant the filing of administrative or civil charges and/or referral of the matter to another regulatory or law enforcement agency.

7. Revoking a Project's Regional Center Designation.

- a. DFR shall make the final determination, after required notice to the project and discussion with ACCD, as to whether a project's MOU should be revoked due to non-compliance with the Project MOU, USCIS EB-5 regulations, U.S. immigration laws and regulations and federal and state securities laws.

8. Communication between media outlets and ACCD and DFR.

- a. If ACCD or DFR receives a request for comment or information from a media outlet regarding the operations of the Regional Center, the party receiving such a request shall confer with the other party before providing comment or information.
- b. If ACCD or DFR receives an interview request from a media outlet regarding the operations of the Regional Center, a representative from both ACCD and DFR shall participate, if possible.

9. Fees and Cost of the Regional Center.

- a. ACCD and DFR shall develop a fee schedule that is due from a Regional Center project to offset the costs of the Regional Center; such fee schedule shall balance the competitiveness of the EB-5 program with the financial burden of operating the Regional Center; such fee schedule shall be re-examined by ACCD and DFR on the anniversary of the Effective Date.
- b. DFR shall be solely responsible for the expense of DFR Regional Center personnel, both current and to-be-hired, charged with carrying out Project Approval and On-Going Compliance functions commencing on the Effective Date through fiscal year 2016.
- c. DFR's reasonable travel, third party vendor and third party professional expenses relating to the operation of the Regional Center shall be reimbursed by ACCD through Regional Center fees.
- d. Notice filing fees due to DFR under state and federal securities laws shall be separate and apart from EB-5 fee schedule and DFR shall retain all such fees.

10. Approval by USCIS.

- a. ACCD shall use its best efforts to have this Agreement approved by USCIS and effectuate any necessary amendments to the current Regional Center designation.

- b. DFR shall cooperate with ACCD to obtain USCIS approval and effectuate the necessary Regional Center designation amendments.
- c. Effectiveness of this Agreement is subject to and conditioned upon approval by USCIS (the "Effective Date").

11. Miscellaneous.

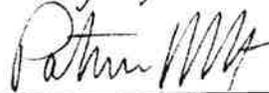
- a. Immigration Filings. DFR shall not have any obligations or responsibilities as to I-526, I-829, I-924, I-924A, G-28 or other USCIS required filings.
- b. Regulatory & Law Enforcement Communications. Communications with another regulatory or law enforcement agency shall be fielded by DFR. DFR shall update ACCD Principal Representative and Principal Administrators unless otherwise prohibited by law.
- c. Term. This Agreement in its present form or as modified shall be effective as of the Effective Date and shall remain in effect for two years. This Agreement may be extended by the mutual written agreement of the parties. Prior to the expiration of the agreement the parties shall meet to negotiate and execute a successor agreement. In the event a successor agreement is not in place when this agreement is due to expire, this agreement will remain in effect until a successor agreement is concluded.
- d. Modification. During the term of the Agreement, either party that is a signatory to this Agreement may submit a written request to amend or modify this memorandum. When such a request is made, the parties shall meet without unnecessary delay to consider the proposed amendment.
- e. Change in Law. Any provision in this Agreement may be rendered null and void by changes in federal or state law that prevent either or both parties from fulfilling the terms of the agreement. If this circumstance should arise, each party agrees to promptly notify the other party.
- f. Choice of Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Vermont.

[Remainder of Page Intentionally Left Blank]

The parties have executed this Agreement in duplicate originals as of the date of their signatures affixed below.

**State of Vermont
Agency of Commerce and Community
Development**

Dated: 10/22/14



Patricia Moulton, Secretary

**State of Vermont
Department of Financial Regulation**

Dated: 12/22/14



Susan L. Donegan, Commissioner

EXHIBIT I

QUARTERLY COMPLIANCE QUESTIONNAIRE

Please respond to the following inquiries and supply all accompanying documentation and information as necessary. Limit responses to the preceding calendar quarter, thus there is no need to resend unchanged information. Also, any documentation supporting a summary document must include the source of the summarized information, which must be available upon request. Finally, any documents requiring signatures must be fully executed.

Investor Information

1. Description of all relevant efforts to promote investment in EB-5 project
2. Investors
 - a. The total number of investors
 - b. Status of each investor's capital (i.e. in escrow, transferred from escrow to limited partner, etc.)
3. Information related to each investor including:
 - a. Name;
 - b. Date of Birth;
 - c. Country of Nationality;
 - d. The U.S. city and State of residence, or intended residency;
 - e. The receipt number of all I-526 or I-829 Alien Entrepreneur Petition ("I-526 Petition");
 - f. Alien registration number (if applicable);
 - g. Status of all I-526 and I-829 Petitions in connection with EB-5 project (such as: "in preparation," "filed with USCIS," "approved by USCIS," "denied by USCIS," "filed with the USCIS office of Administrative Appeals," etc.);
 - h. Total number of visas represented per investor;
 - i. Date(s) of investment to EB-5 project;
 - j. Amount of investment in EB-5 project;
 - k. The date(s), nature and amount of any payment, remuneration, profit, or return on investment made to the alien investor by the EB-5 Project;
 - l. Total EB-5 and non-EB-5 investor capital (alien and domestic) including name and address of each "direct" job creating commercial enterprise
4. All Requests for Evidence ("RFE") received from USCIS and any corresponding RFE responses from the project entity or relevant investor
5. Copies of subscription agreements related to the sale of securities associated with the EB-5 project

10/13/2015

Rev. 07/15/2016

6. Any updated or new marketing materials and marketing information used to carry out the EB-5 project

Financial Information

7. Year to date escrow and administrative fee account statements

8. Names of financial institutions and account numbers where operating accounts are located

9. Current chart of accounts

10. Trial balances

11. Financial Statements consisting of balance sheets and profit and loss statements

12. Cash flow statement

13. Any off balance sheet liabilities

14. Amount and adequacy of reserves for litigation, taxes, environmental liabilities, and other contingent liabilities

15. All appropriate tax returns

Other

16. Accounting of all fees received and paid, and source of payment, to or from a promoter, finder, broker-dealer, or other third party entity used to locate individual investors

17. List of all project vendors, including all invoices and payment history

18. Detailed evidence of the progress made towards the completion of each capital investment project

19. Evidence and documentation of any material changes or updates to planned project timeline or execution of the project

20. A list of any pending or active material litigation or bankruptcy proceedings, including any disputes with the IRS or other tax authorities

21. An accounting of jobs, including payroll records where appropriate

22. Any material encumbrances or security interests placed against the assets or cash flow of any EB-5 project entity or its properties

23. Any additional, or not previously disclosed, parties associated with the EB-5 project

24. Any changes in names, titles, job duties, or percentage of time spent on project related duties of key personnel for all entities directly related to the furtherance of the EB-5 project.

25. Any other information the Vermont Regional Center may require