



**U.S. Citizenship
and Immigration
Services**

January 20, 2017

Morteza Naghavi
Medical Investments in Texas Regional Center (MEDITEX)
2636 South Loop West Suite 555
Houston TX 77054

NOTICE OF TERMINATION

This letter shall serve as notification that U.S. Citizenship and Immigration Services (USCIS) has terminated the designation of Medical Investments in Texas Regional Center MEDITEX (“the Regional Center”) as a regional center under the Immigrant Investor Program (the Program)¹ pursuant to Title 8 of the Code of Federal Regulations (8 C.F.R.) section 204.6(m)(6), because it no longer serves the purpose of promoting economic growth.

The regulation at 8 C.F.R. § 204.6(m)(6) provides:

Termination of participation of regional centers. To ensure that regional centers continue to meet the requirements of section 610(a) of the Appropriations Act, a regional center must provide USCIS with updated information to demonstrate the regional center is continuing to promote economic growth, improved regional productivity, job creation, or increased domestic capital investment in the approved geographic area. Such information must be submitted to USCIS on an annual basis, on a cumulative basis, and/or as otherwise requested by USCIS, using a form designated for this purpose. USCIS will issue a notice of intent to terminate the participation of a regional center in the pilot program if a regional center fails to submit the required information or upon a determination that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment. The notice of intent to terminate shall be made upon notice to the regional center and shall set forth the reasons for termination. The regional center must be provided 30 days from receipt of the notice of

¹ Section 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993, Pub. L. No. 102-395, 106 Stat. 1828 (1992), as amended by section 116 of Pub. L. No. 105-119, 111 Stat. 2440 (1997); section 402 of Pub. L. No. 106-396, 114 Stat. 1637 (2000); section 11037 of Pub. L. No. 107-273, 116 Stat. 1758 (2002); section 4 of Pub. L. No. 108-156, 117 Stat. 1944 (2003); section 1 of Pub. L. No. 112-176, 126 Stat. 1325 (2012); and section 575 of Pub.L. No. 114-113 (2015) (hereinafter the “Appropriations Act”); *see also* section 131 of Pub. L. No. 114-53, 129 Stat. 502 (2015).

intent to terminate to offer evidence in opposition to the ground or grounds alleged in the notice of intent to terminate. If USCIS determines that the regional center's participation in the Pilot Program should be terminated, USCIS shall notify the regional center of the decision and of the reasons for termination. As provided in 8 C.F.R. 103.3, the regional center may appeal the decision to USCIS within 30 days after the service of notice.

On August 15, 2016, USCIS issued a Notice of Intent to Terminate (NOIT), which provided the Regional Center 30 days from receipt of the notice to address the bases for termination stated in the NOIT. In the NOIT, USCIS stated that it intended to terminate the Regional Center due to the Regional Center's failure to promote economic growth.

After reviewing the response and the evidence submitted, USCIS has determined that the Regional Center has not overcome the deficiencies raised in the NOIT for the reasons stated below.

Reason for Termination - Failure to Demonstrate Promotion of Economic Growth

Under 8 C.F.R. § 204.6(m)(6), "USCIS will issue a notice of intent to terminate . . . upon a determination that the regional center no longer serves the purpose of promoting economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment."

As stated in the NOIT, USCIS intends to terminate the Regional Center's participation as a regional center in the Program because it no longer serves the purpose of promoting economic growth. The Regional Center's I-924A filings do not report any EB-5 capital investment or job creation for fiscal years 2013, 2014, or 2015. In addition, although USCIS designated the Regional Center as a regional center on August 6, 2013, the I-924A filings do not report any approved Form I-526s, Immigrant Petitions by Alien Entrepreneurs, or I-829s, Petition by Entrepreneur to Remove Conditions, for petitioners who have made or are actively in the process of making investments associated with the Regional Center. Moreover, as of the date of this notice, USCIS records indicate that no I-526 or I-829 petitions are pending for investments associated with the Regional Center. The regional center's filings do not indicate that it has conducted activity that serves the purposes of the Program since its designation.

On September 19, 2016, the Regional Center submitted a response to the NOIT which included a "Confidential Private Offering Memorandum," undated and unexecuted, Exhibit A1, a "Summary of Terms," which refers to definitions used in the partnership agreement "Endothelix Inc. Executive Summary, VENDYS II," Exhibit A2, a document dated August 16, 2016, authored by Shriram Krishnan to Maliha Mian, regarding investment and stating they are unable to invest by August 15, 2016, Exhibit C, "MEDITEX EB5 Regional Center" power point, undated, Exhibit D, an Outlook Office message noting a phone call from a doctor that states, "Regarding: Dr. Cohen asked to speak with you in regard to a medical school project that they need 'EB5' funding for." Exhibit E.

In the supporting letter, the Regional Center states that delays in Regional Center activity are due to the fact that "medical technology and/or healthcare related projects are not as easily understood, require extensive planning, and require a longer time to take an investor from marketing to subscription." The NOIT response does not contain evidence of any progress made by the Regional Center in promoting economic growth or detail any extensive planning or marketing efforts. The Regional Center also states

that investors have been reluctant to invest in projects due to ongoing litigation that is scheduled for trial in January 2017. The case is expected to be adjudicated, not continued, and possibly settled prior to the trial.” The NOIT response contains no evidence regarding the lawsuits.

The Regional Center states, “feedback we have received from investors and industry experts is positive and we strongly believe that once the litigation is resolved MEDITEX should not have an issue securing investment for its project(s).” The NOIT response does not contain evidence to support this assertion. In fact, Exhibit D, correspondence from a potential investor, [REDACTED]

(b)(4)

Finally, in the supporting letter, the associate director of the Regional Center states that a health condition slowed the associate director’s progress on development efforts for the Regional Center. The NOIT response contains no evidence about the medical condition, and no evidence that the associate director, or any individuals associated with the Regional Center conducted development efforts on behalf of the Regional Center.

The Regional Center states that it is in discussions with [REDACTED] investors. The NOIT response contains no evidence of a [REDACTED]

(b)(4)

The Regional Center states that the “Endothelix project has already created jobs based on the investment for [sic] the founder and State of Texas’ Emerging Technology Fund which invested [REDACTED] in Endothelix.” The NOIT response contains no evidence to support these assertions. The Regional Center cites its “extraordinary challenges” in promoting economic growth, but fails to submit sufficient evidence of them.

In the absence of evidence of increased export sales, improved regional productivity, job creation, or increased domestic capital investment, USCIS concludes that the Regional Center no longer serves the purpose of promoting economic growth, and the Regional Center’s participation in the Program is terminated.

Procedure to Appeal the Decision to Terminate

If the Regional Center disagrees with this decision, or if the Regional Center has additional evidence that shows this decision is incorrect, the Regional Center may file a motion or an appeal to this decision by filing a completed Form I-290B, Notice of Appeal or Motion, along with the appropriate filing fee. A copy is enclosed. The Regional Center may also include a brief or other written statement and additional evidence in support of the motion or appeal. The Form I-290B must be filed within 33 days from the date of this notice. If a motion or appeal is not filed within 33 days, this decision is final.

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The completed Form I-290B and supporting documentation with the appropriate filing fee should be sent to:

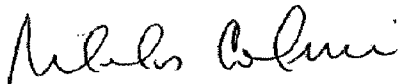
If using US Postal Service	If using USPS Express Mail/Courier
USCIS I-290B P.O. Box 660168 Dallas, TX 75266	USCIS Attn: I-290B 2501 S. State Highway 121 Business Suite 400 Lewisville, TX 75067

For an appeal, the Regional Center may request additional time to submit a brief within 30 calendar days of filing the appeal. Any brief, written statement, or evidence in support of an appeal that is not filed with Form I-290B must be directly sent within 30 days of filing the appeal to:

DHS/USCIS
Administrative Appeals Office (AAO)
20 Massachusetts Ave., N.W., MS 2090
Washington, DC 20529-2090

For more information about the filing requirements for appeals and motions, please see 8 C.F.R. § 103.3 or 103.5, or visit the USCIS website at www.uscis.gov.

Sincerely,



Nicholas Colucci
Chief, Immigrant Investor Program

Enclosures: (1) Form I-290B with instructions
(2) Notice of Intent to Terminate issued August 15, 2016

cc: Brian Graham
Strasburger & Price LLP
600 Congress Ave Ste 1600
Austin TX 78701