EXHIBIT "I"

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August 27, 2018

Justice Saliann Scarpulla
Supreme Court of the State of New York
Commercial Division, Courtroom 208
New York, NY 10007

Re: Ang et al. v. USIF LLC, Index No. 156339/2018

Dear Justice Scarpulla,

I am an Illinois lawyer who generally represents Chinese investors stuck in EB-5 projects. I am personally known to counsel for the Petitioners (Reid Wise) and the Respondents (Paul Hastings) and have discussed this case at length with them.

I represent a rapidly growing class of investors in the 701 project who voted in favor of redeploying their funds to the 702 project but who have now changed their minds and want to go to arbitration alongside the Petitioners. A large group of them, at least several dozen and perhaps up to ninety, sent a letter to the Respondents a week ago saying that they want to revoke their vote and consider a broader range of options, including getting their money back or investing in a different project from 702. I call them the "Former Option 1 Voters." They bolster the Petitioner's claim that the vote in this case was a fiasco whose consequences should be stayed pending arbitration.

As you may know, the Respondents claimed victory because they got a majority of votes to redeploy the money from 701 to 702. But if my clients revoke their votes, the majority no longer exists, and it is a game-changer for everyone.

At the risk of giving you a headache, I would like to request that my clients intervene under the permissive joinder rules as a new class of petitioners in support of the injunction and having their fate decided by arbitration. Given that my clients' withdrawal of their votes put the entire transaction in limbo, I think they should be added to the Petitioners as a new class in support of the injunction. Otherwise, they would have to file a separate case in federal court asking for the same relief based on the same facts. Attached is a draft Motion I would like to file. I would have to get a NY lawyer, I guess, unless you would let me file this one document from out of state. **We would not file any other pleadings in your Court, nor ask the Court for anything else**. We just want to get on record as making this filing and supporting the Petitioners motion for preliminary injunction. If this Court recognizes my clients, then the Respondents don't really have the votes to take action, and that is all the more reason that they should in fact be preliminarily enjoined from taking those actions.

Respectfully,

Doug Litowitz

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK
----------X

In the matter of the Application of

YANG ANG, et. al.

Petitioners,

Index # 156339/2018

-against-

US Immigration Fund LLC – NY, 701 TSQ 1000 Funding GP LLC, 701 TSQ Funding LLC, and NICHOLAS MATROIANNI,

Judge Scarpulla

Respondents.

MOTION TO INTERVENE AS NEW CLASS OF PETITONERS and MEMORANDUM IN SUPPORT

NOW COMES non-parties Messrs. Wang and Chen, who are members of 701 TSQ 1000 Funding LLC (the "701 Fund"), individually and for all others similarly situated (referred to herein as "Former Option 1 Voters"). For their Motion, by the undersigned counsel, they state as follows:

The Former Option 1 Voters move this Court to allow them to intervene under permissive joinder as Petitioners, and ask only that they be sent to arbitration along with the Petitioners, if the Petitioners prevail in the injunction.

The Former Option 1 Voters have virtually identical questions of law and fact as the Petitioners, with the sole exception being that they voted in favor of redeployment of the 701 Fund into its sister Fund ("702 Fund") and now want to reverse their votes and have their fate decided in the same manner as Petitioners. The reversal of their votes would change the outcome of the vote on July 5, 2018 which is the heart of this action, and so their joinder is absolutely necessary for a fair resolution of this matter.

FACTS RELEVANT TO THIS INTERPLEADER REQUEST

1. The instant case is a demand for injunctive relief to set aside the consequences of a hastily arranged vote of the members of the 701 Fund, and to send the matter to arbitration.

2. The vote of members was occasioned because the Fund loaned out money and then accepted repayment prior to the earliest possible repayment date. The Fund managers decided to redeploy the money into their affiliated project next door, but a prerequisite was that they needed sufficient votes to amend the Fund's Operating Agreement. So they called a vote authorizing redeployment and amendment of the Operating Agreement by sending out a Consent Solicitation Statement on or about June 5th which set forth a limited range of options.

3. The voting process was handled with the professionalism of a 5th grade election for Class Treasurer. The vote was polluted by a witches' brew of misinformation, threats, confusion, cease-and-desist letters, and general disorder

coming from every angle at once. Some Chinese members were destabilized to the point of nervous breakdowns and sought medical treatment.

4. A voting process, so to speak, was held on July 5 and on July 12 amid a general rancor. Here were the results:

> **188** members voted for **Option 1**: to redeploy their capital contribution into Fund 702, and to amend the Operating Agreement to make clear that such redeployment was permissible going forward;
>
> **43** members voted for **Option 2**: to obtain a cash return of their investment from the Fund in 30 days, but – before closing the screen door on their way out, as it were – to amend the Operating Agreement to make clear that the redeployment in Option 1 was permissible going forward;
>
> **124** members decided not to vote, which defaulted them to **Option 3**, a kind of purgatory, where their money *might* come back some day and their fate as potential residents was thrown to the winds. They retained counsel to file this action for an injunction to set aside the vote and to move the matter to arbitration. Presumably, arbitration will give the members a wider choice of projects in which to redeploy their capital contributions;
>
> **The remaining 45** are running around loose in China either oblivious to the voting process, paralyzed with inaction, or changing their minds.

5. Here is the key point: It was mostly because of the Option 1 voters that the managers declared victory by getting a majority of votes.

6. But the Former Option 1 Voters have changed their minds and want to reverse their choice on the grounds of self-dealing and misrepresentation of

material facts by the Fund manager, thereby erasing the majority proclaimed by the Fund managers. *This means that the vote for redeployment did not pass.*

A NEW CLASS OF PLAINTIFFS

7. Messrs. Wang and Chen voted for Option 1 but now want to reverse their choice. That is why they are called *Former* Option 1 Voters.

8. It is hard to gauge an exact number of the Former Option 1 Voters, but judging from our online discussions, it is conservatively in the several dozens, enough to void the majority vote in favor of redeployment to 702 project and amend the Operating Agreement.

9. In fact, on August 20, 2018, about 90 Former Option 1 Voters sent a letter to USIF Regional Center saying that they feel that their vote was coerced and that they want to set aside the vote and obtain a greater range of options. See Exhibit 1.

10. They also claim to be coerced by Qiaowai, a Chinese "migration agent" (a code word for glorified travel agent and unlicensed broker-dealer who has no Chinese authority to raise money or corral Chinese investors to US deals). Qiaowai is the Fund manager's covert agent in China, who wrote to all investors on July 3rd and urged them to redeploy their investment and not to believe outside lawyers. See Exhibit 2. These and other communications from Qiaowai were sent about securities offered in the United States, raising serious issues of Section 10(b) violations, lack of broker-dealer licenses (no party involved here had a license) and a violation of the Notice in the Consent Solicitation Statement at Roman Numeral vii:

> No other broker, dealer, agent, salesperson, or other person have been authorized to give any information or make any representation (oral or written) not contained in this Consent Solicitation Statement, and, if given or made, such information or representation must not be relied upon as having been authorized by the Manager or the Company.

11. The Former Option 1 Voters seek to have their claims heard in arbitration alongside the Petitioners, where they will demand the following:

> i. An opinion from the USCIS or a neutral law firm (not chosen by the Fund's managers) that the repayment accepted by the Fund does not create a material change affecting 701 investors' eligibility for immigration benefits, as well as the question of whether redeployment is even necessary in the first place, i.e., whether they can just keep the money in their capital account until they are granted conditional permanent residency and still satisfy EB-5 regulations;
>
> ii. If the 701 project and 702 project are owned almost by the same parties after the sale, they want to know why they were not given the option to simply remain in the 701 capital structure, perhaps as a junior secured lender;
>
> iii. If redeployment is necessary and they cannot remain in the 701 capital structure, they should be offered more options and able to choose a project of their own liking;
>
> iv. Since the machinations of the Fund managers have put the EB-5 eligibility into question by forcing a potential material change in the original investment plan, the Former Option 1 Voters want the option to withdraw entirely from the EB-5 process and obtain a FULL refund of $550,000 without having to amend the Operating Agreement;
>
> v. Qiaowai should NOT be a co-owner as designated in the Amended Operating Agreement or have anything whatsoever to do with the 701or 702 projects since the members did not vote for them to have this role;

> vi. Qiaowai should be barred from any communications with 701 members and receive NO compensation from Respondents related to 701 and 702 investment, since they (Qiaowai) are not licensed as a US broker-dealer and should not be bombarding investors in US securities with messages on behalf of Respondents; and
>
> vii. Since the money paid to Qiaowai is (and has already) come out of the investors' management fee, the investors should see all agreements between Qiaowai and parties to this transaction, including any deals with the Fund and the developer.

12. These demands are based on the same facts and conclusions of law as set forth by the Petitioners in the underlying action, and can be resolved in the same arbitration.

13. No additional burden will be put on this Court, nor will duplicative pleadings be necessary.

Memorandum

14. The Civil Practice Laws and Rules CVP section 1002(a) allows permissive joinder of plaintiffs:

> **(a) Plaintiffs.** Persons who assert any right to relief jointly, severally, or in the alternative arising out of the same transaction, occurrence, or series of transactions or occurrences, may join in one action as plaintiffs if any common question of law or fact would arise.

This is easily satisfied here, because the Former Option 1 Voters are seeking a remedy for the same exact transaction and occurrences as the existing Petitioners.

Both sets of plaintiffs have the same questions of law and fact - namely whether the vote of members was lawful, and if not, what consequences follow.

15. The Civil Practice Laws and Rules CVP section 1013 allow parties to intervene in the discretion of the Court if there are common questions of law and fact, and it will not cause undue delay or prejudice.

16. In this case, intervention will not cause any extra delay or prejudice but will in fact allow the Court to clear up the fate of more persons affected by the facts and law presented already.

17. New York law allows wide discretion for judges to allow intervention. *Matter of Romeo v. N.Y. State Dept. of Educ.*, 39 AD3d 916, 917 (3rd Dept. 2007)("Intervention can occur at any time").

18. The Former Option 1 Voters believe that joinder as Petitioners - perhaps in the form of a new class - would help bring about clarity and resolution of the mess that the managers of the Fund have created.

19. Alternatively, if the Court thinks it more appropriate, the Former Option 1 Voters can file a separate action against the same defendants, either in state or federal court. But since so many common issues predominate, and the matter can be easily solved by allowing the Former Option 1 Voters to join the arbitration, we think that this is the path favored by judicial economy.

20. The Former Option 1 Voters do NOT seek a determination on the merits from this Court. They are aware that this is not a plenary case, but is a special proceeding for a preliminary injunction to hold status quo pending arbitration per Civil Practice Laws and Rules CVP section 7502(c).

21. Accordingly, the Former Option 1 Voters merely ask to be placed alongside the Petitioners and sent to arbitration along with them. This is a procedural matter of judicial economy and not a request for a decision awarding any recovery or judgment in favor of the Former Option 1 Voters.

WHEREFORE, Messrs. Wang and Chen respectfully request to Intervene in this Action *instanter*, in the form of a new group of Petitioners who are moved into arbitration along with the Petitioners.

Dated: August 27, 2018

Respectfully Submitted,

/s/ Douglas Litowitz

Licensed in Illinois
Attorney for Wang and Chen

EXHIBIT 1

Gmail

Dlitowit . <litowitz@gmail.com>

Demand Letter from 701 Option One Investor

1 message

reviv-east01 <reviv-east01@foxmail.com> Fri, Aug 24, 2018 at 11:22 AM
To: "jason@usifund.com" <jason@usifund.com>, litowitz <litowitz@gmail.com>

Jason,

Below is a Demand Letter from 701 Option 1 investors sent to USIF on Aug 20 requesting equal rights to investment alternatives and withdrawal. Such damaging demand letter from your supposedly most loyal investors doesn't speak well for USIF's reputation and credibility. To help you understand their demands, I enclose Google translation.

Zoe Ma
Chief Investigator

Reviv-East Legal Service Consultants (HK) Ltd.
振东法律服务咨询（香港）
http://eb5rights.com

尊敬的美国移民基金公司及侨外公司:

据聘请律师的投资人反映，他们正在和你们基金公司协商，你们基金公司可能会将聘请律师保卡人的投资款，同意投到风险比较小的地产基金，或是最终投702也是夹层贷款而不是股权。如果是这样的话对我们选1的保卡人就太不公平了。如果真是这样的话，我们选1的人也要聘请律师，要求你们基金公司把我们的投资款投到风险较小的地产基金或夹层贷款。希望你们能修改一下投702的新运营协议的部分不合理条款，承担各自的责任，对待701全部投资人的标准是一样的，给选1的投资人一个满意的答复。

当初我们选1时是说如果不选则按3，现在不选的人不但没有按3，还比选1的条件优厚，这就代表当初的选择选项是不合理和没有效力的，所以我们选1的群体要求的待遇一定要优于不选的。

在基金公司最需要702投资和投票表决决定变更的时候，我们支持了基金公司，理应得到更好的优先顺位和回报，包括可以中途退出获得退款。 而你们基金公司在投票截止日后不顾保卡选1投资人利益一而再而三出尔反尔言而无信，让我们感到非常失望。经701保卡选1全体投资人沟通商量后，提出以上问题及要求，希望你们认真对待并将项目进展及后续详情汇报给我们保卡选1投资人。我们将保留法律追究的权利。

701项目保卡选1全体投资人:.....2018.8.20

Dear American Immigration Fund Company and Overseas Chinese Company:

According to the investors who hired lawyers, they are negotiating with your fund company. Your fund company may accept the investment of the lawyer's investors and agree to invest in a less risky property. The fund, or the final investment in 702, is also a mezzanine loan rather than an equity. If this is the case, it would be unfair for us who voted for Option 1. If this is the case, we will also hire a lawyer to ask your fund company to invest our investment funds in less risky real estate funds or mezzanine loans. I hope that you can modify some of the unreasonable clauses of the new operating agreement of 702 and assume their respective responsibilities. The treatment for all 701 investors should be the same, and a satisfactory answer should be given to investors who voted Option one.

When we voted for Option 1 at the beginning, we were told that if we did not vote, we would be treated as Option 3. The people who did not vote not only were not deemed as Option 3, but also had better conditions than those who voted for Option 1. This means that the original vote options were unreasonable and voidable, so we demand our group of Option 1 voters must be treated better than those didn't vote.

When the fund company desperately needs investment to 702 project and votes to approve the Amended Agreement, we supported the fund company. For this we deserve a better lien position and return, including the possibility of withdrawing from fund during the process. However, we are very disappointed that your fund company ignored the interests of our investors and repeatedly backtracked on your promises after the voting deadline.

After communication and discussion by all 701 Option 1 investors we put forward the above questions and demands. We hope you take it seriously and keep us informed of the progress of the development and the follow-up. We reserve the right to take legal actions.

701 project all Option 1 investors ...2018.8.20

Exhibit 2

WARM REMINDER

Hello, 701 project investors!

Recently, many investors have received emails or WeChat notifications that claim to be from 701 investors. The notices say that redeployment by USIF is not beneficial to investors, and asks 701 investors not to vote for any options. These are selfish people who send notices based on their own private interests, and do not represent the whole crowd. Therefore, we hope that investors will carefully consider the following issues and treat them rationally:

1. About the disclosure of customer personal information. We will never give customers information to third parties without your permission. It is recommended that when investors join a chat room, protect your own personal information. Avoid personal information being used by people with ulterior motives.

2. For the 701 reinvesment project, regarding the letter provided by USIF, the investor should make his own decision on your own situation and future plans.

3. Consider when you hire a lawyer, can the lawyer really make the right decision for you about risking money and getting or not getting a green card? **In the end, your lawyer doesn't deal with the consequences because your lawyer will be free of consequences under the legal system. If there is risk in the future, it is on you and not on the lawyer.**

4. Reinvestment requires a clear written response from the investor. **If the investor does not make a choice, the USIF will have to notify all of the investor's information to USCIS. An immigration lawyer that you hire will not know the whole story because they were not involved in the drafting and review of project documents.**

Overseas Chinese Group Shaanxi Branch
July 03, 2018

Translation from Chinese by Yiwen Chen of Deerfield, Illinois, a native Taiwanese who has lived in the US for 20 years. Vickiichen@hotmail.com (emphasis added)