

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 83212 / May 10, 2018**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18478**

**In the Matter of**

**JASON J. LEE AND LAW**  
**OFFICES OF JASON J. LEE**  
**& ASSOCIATES**

**Respondents.**

**ORDER INSTITUTING CEASE-AND-DESIST PROCEEDINGS, PURSUANT TO SECTION 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Jason J. Lee and Law Offices of Jason J. Lee & Associates (“Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondents consent to the entry of this Order Instituting Cease-and-Desist Proceedings, Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondents' Offers, the Commission finds<sup>1</sup> that:

#### Summary

1. Respondents violated Section 15(a)(1) of the Exchange Act by acting as unregistered brokers in connection with their representation of clients who were seeking U.S. residency through the Immigrant Investor Program. Respondents, an immigration attorney and a law firm, recommended that their clients participate in the Immigrant Investor Program by investing in securities offered through an EB-5 Regional Center and helped effect the purchases. In addition to receiving legal fees from their clients, Respondents received a commission from the Regional Center for each investment they facilitated.

#### Respondents

2. Jason J. Lee, age 55, is a resident of Arcadia, California. He is a licensed attorney specializing in immigration. During the relevant time period, he was a partner of Law Offices of Jason J. Lee & Associates.

3. Law Offices of Jason J. Lee & Associates is a law firm located in Pasadena, California.

#### Background

4. The United States Congress created the Immigrant Investor Program, also known as "EB-5," in 1990 to stimulate the U.S. economy through job creation and capital investment by foreign investors. The Program offers EB-5 visas to individuals who invest \$1 million in a new commercial enterprise that creates or preserves at least 10 full-time jobs for qualifying U.S. workers (or \$500,000 in an enterprise located in a rural area or an area of high unemployment). A certain number of EB-5 visas are set aside for investors in approved Regional Centers. A Regional Center is defined as "any economic unit, public or private, which is involved with the promotion of economic growth, including increased export sales, improved regional productivity, job creation, and increased domestic capital investment." 8 C.F.R. § 204.6(e) (2015).

5. Typical Regional Center investment vehicles are offered as limited partnership interests. The partnership interests are securities, usually offered pursuant to one or more exemptions from the registration requirements of the U.S. securities laws. The Regional Centers are often managed by a person or entity which acts as a general partner of the limited partnership. The Regional Centers, the investment vehicles, and the managers are collectively referred to herein as "EB-5 Investment Offerers."

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<sup>1</sup> The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

6. Various EB-5 Investment Offerers paid commissions to anyone who successfully sold limited partnership interests to new investors.

**Respondents Received Commissions for Their Clients' EB-5 Investments**

7. From at least 2013 through 2015, Respondents earned commissions from one EB-5 Investment Offerer totaling at least \$275,000.

8. Respondents performed activities necessary to effectuate the transactions in EB-5 securities, including soliciting investors for the EB-5 Investment Offerer; recommending the EB-5 Investment Offerer to their clients; acting as a liaison between the EB-5 Investment Offerer and the investors; conducting negotiations between clients and the EB-5 Investment Offerer; facilitating the transfer of documentation to the EB-5 Investment Offerer; and facilitating the transfer of investment funds to the EB-5 Investment Offerer. Respondents earned transaction-based commissions for their services from the EB-5 Investment Offerer. While some of Respondents' activities overlapped with legal services, for which they received legal fees, Respondents were compensated transaction-based compensation for the activities which effectuated the investor's transactions in EB-5 securities.

9. Respondents directed the EB-5 Investment Offerer to pay Respondents' commissions to foreign bank accounts held by Respondent Lee's relative. Those funds were returned to Respondent Lee.

10. As a result of the conduct described above, Respondents violated Section 15(a)(1) of the Exchange Act, which makes it unlawful for any broker or dealer which is either a person other than a natural person or a natural person not associated with a broker or dealer to make use of the mails or any means or instrumentality of interstate commerce "to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security" unless such broker or dealer is registered in accordance with Section 15(b) of the Exchange Act.

**IV.**

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondents' Offers.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondents shall cease and desist from committing or causing any violations and any future violations of Section 15(a)(1) of the Exchange Act.

B. Respondents shall pay, jointly and severally, disgorgement of \$275,000, prejudgment interest of \$25,800, and a penalty of \$37,500 to the Securities and Exchange Commission. Payment shall be made in the following installments: (1) 35% of the total amount

within ten (10) days of the entry of this Order, (2) 35% of the total amount within ninety (90) days of the entry of this Order, and (3) 30% of the total amount within one hundred eighty (180) days of the entry of this Order. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of disgorgement, prejudgment interest, and civil penalties, plus any additional interest accrued pursuant to SEC Rule of Practice 600 or pursuant to 31 U.S.C. 3717, shall be due and payable immediately, without further application.

Payment must be made in one of the following ways:

- (1) Respondents may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondents may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondents may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Jason J. Lee and Law Offices of Jason J. Lee & Associates as Respondents in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Melissa R. Hodgman, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549-5553.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondents agree that in any Related Investor Action, they shall not argue that they are entitled to, nor shall they benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondents' payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondents agree that they shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondents by or on behalf of one or more

investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondents, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondents under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondents of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Brent J. Fields  
Secretary