

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 76573 / December 7, 2015**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16986**

**In the Matter of**

**MIKE S. MANESH AND**  
**MANESH & MIZRAHI, APLC**

**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 Mike S. Manesh and Manesh & Mizrahi, APLC (collectively “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 broker-dealers in connection with their representation of clients who were seeking U.S. residency through the Immigrant Investor Program. Respondents, an immigration attorney and law firm, recommended that their clients participate in the Immigration 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. Mike S. Manesh, age 60, is a resident of Los Angeles, California. He is a licensed attorney concentrating in immigration law. During the relevant time period, he was a partner of Law Offices of Mike S. Manesh, a predecessor to Manesh & Mizrahi, APLC.

3. Manesh & Mizrahi, APLC, formerly known as Law Offices of Mike S. Manesh, is a law firm located in Los Angeles, 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 January 2010 through May 2011, Respondents received commissions from one or more EB-5 Investment Offerers totaling \$85,000.

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

9. 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 Respondent Mike S. Manesh and Manesh & Mizrahi, APLC's Offers.

Accordingly, pursuant to Section 21C of the Exchange Act, it is hereby ORDERED that:

A. 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 \$85,000 and prejudgment interest of \$11,159 to the Securities and Exchange Commission. Payment shall be made in the following installments: (1) 25% of the total amount within ten (10) days of the entry of this Order, (2) 25% of the total amount within ninety (90) days of the entry of this Order, (3) 25% of the total amount within one-hundred-eighty (180) days of the entry of this Order, and (4) 25% of the total amount within two-hundred-seventy (270) 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 and prejudgment interest, plus any additional interest accrued pursuant to SEC Rule of Practice 600, 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 Mike S. Manesh and Manesh & Mizrahi, APLC 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 Stephen L. Cohen, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549-5553.

**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