

## SEC Rule 506 means opportunity for EB-5 Regional Centers and Developers

On July 10, 2013, the Securities and Exchange Commission (SEC) adopted a final rule under the Jumpstart Our Business Startups (JOBS) Act to lift the ban on general solicitation and general advertising for certain private securities offerings relying on Rule 506 of Regulation D exemption. Before the new rule, Regional Centers were concerned about [advertising their EB-5 projects](#) to prospective Chinese investors, for fear of violating SEC regulations. After September 23<sup>rd</sup>, which is 60 days after their publication in the Federal Register, issuers and their selling agents will be permitted under new Rule 506(c) to engage in general solicitation activities without losing the benefit of the Rule 506 safe harbor.

### Rule 506(c) Securities Offerings

The new rule amends Rule 506 of Regulation D of the Securities Act of 1933 by adding a new exemption in Rule 506(c), which permits issuers to use general solicitation and general advertising to offer their securities, provided that:

- (1) All of the actual purchasers of the securities in the offering fall within one of the categories of "accredited investor" under Rule 501(a) of Regulation D, or the issuer reasonably believes that all of the purchasers fall within one of the accredited investor categories at the time of sale of the securities
- (2) The issuer takes reasonable steps to verify that all the purchasers in the offering are "accredited investors"

With this SEC new rule, regional centers and EB-5 developers are less restricted in advertising and promoting their EB-5 projects. With the loosened marketing restrictions, the new rule provides more opportunities for the EB-5 industry, especially the Regional Centers, to reach target audiences more efficiently and accurately.

When proceeding with advertising with these projects, utilization of a professional marketing and advertising agency versed in EB-5 is prudent. EB-5 Supermarket ([EB5Supermarket.com](#)) is the leading EB-5 Chinese online media and marketing firm specializing in providing timely and authoritative EB-5 and US immigration related information to Chinese investors within China and

around the globe. [EB-5 Supermarket](#) has helped many US Regional Centers to prepare professional Chinese marketing materials, workable marketing plans, and press releases. These efforts have helped promote their EB-5 projects in China, and have helped to raise the capital funds needed.

EB-5 Supermarket welcomes inquiries from regional centers and EB-5 developers to learn how to develop a more powerful marketing strategy for the China market. For more information, they can be reached at 630-781-6688 or email at [eb5supermarket@gmail.com](mailto:eb5supermarket@gmail.com) or through their website at <http://www.eb5supermarket.com/index.php/lianxiwomen>

*With offices in Chicago, Illinois and Beijing, Shanghai, Shenzhen and Changsha in China, EB-5 Supermarket ([www.EB5Supermarket.com](http://www.EB5Supermarket.com)) is the largest Chinese EB-5 online media and publication linking US immigration attorneys, EB-5 regional centers and EB-5 professionals to Chinese Immigration agents, immigrants and investors. It serves as a direct connection and gateway between the U.S. EB-5 project principals, investment opportunities, real estate developers, immigration attorneys, professional services and Chinese investors in China and around the world. It is also the largest [marketing and advertising agency](#) in the US specializing in EB-5 China marketing.*

*[EB-5 Supermarket](#) was awarded the Best EB-5 Media for 2011 by ABG. The company can be reached at 630-781-6688 or through email at [email at eb5supermarket@gmail.com](mailto:eb5supermarket@gmail.com).*