

1 BLECHER & COLLINS, P.C.
Maxwell M. Blecher (State Bar No. 26202)
2 Mblecher@blechercollins.com
Jennifer S. Elkayam (State Bar No. 238619)
3 Jelkayam@blechercollins.com
515 South Figueroa Street, 17th Floor
4 Los Angeles, California 90071-3334
Telephone: (213) 622-4222
5 Facsimile: (213) 622-1656

6 Attorneys for Petitioner
7 DARLEY INTERNATIONAL, LLC

8
9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11 WESTERN DIVISION

12
13 Darley International, LLC, a Delaware
corporation,

14 Petitioner,

15 vs.

16 South Dakota International Business
17 Institute, a non-profit organization,

18 Respondent.

CASE NO.

DARLEY INTERNATIONAL LLC'S
PETITION FOR ORDER
COMPELLING ARBITRATION
PURSUANT TO WRITTEN
AGREEMENT

[9 U.S.C. § 4]

Hearing Date: September 8, 2008
Time: N/A
Courtroom: N/A

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CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

BLECHER & COLLINS
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

1 Petitioner DARLEY INTERNATIONAL LLC alleges as follows:

2 1. Petitioner Darley International, LLC ("Darley" or "Petitioner") is
3 a limited liability corporation organized and existing under the laws of the
4 State of Delaware, with its principal place of business in Orinda, California.

5 2. Robert D. Stratmore, Esq. ("Stratmore") is the President and
6 founder of Darley.

7 3. Petitioner Darley offers a variety of international business
8 services that include representing, advising and consulting commercial and
9 governmental clients worldwide. For nearly twenty years, Stratmore and
10 Darley have participated in an array of international business transactions
11 that range from advising foreign governments and private companies in
12 contract negotiations and business opportunities to representing entities in
13 the purchase and sale of goods.

14 4. Respondent South Dakota International Business Institute
15 ("SDIBI") is a non-profit organization located in Aberdeen, South Dakota.
16 Respondent SDIBI offers a variety of programs designed to facilitate and
17 promote international trade by and amongst South Dakota companies.
18 Respondent SDIBI is also responsible for managing foreign investment
19 activity in South Dakota and attracting investors to the State.

20 5. SDIBI attracts investment to South Dakota by utilizing the
21 employment-based EB-5 investor visa. The EB-5 investor visa grants U.S.
22 permanent residence (green cards) to foreign nationals who will, indirectly
23 or directly, create or save full-time jobs by investing at least \$500,000 in a
24 U.S. business located within a designated "regional center." Regional
25 centers, which are designated as such by the United State Citizenship and
26 Immigration Services, are established to attract immigrant investors in
27 specific geographic areas. Regional centers are generally located in rural
28 areas or areas that have experienced high unemployment rates. Entities

1 applying for regional center status must demonstrate that investor funds
2 will be used to support a specific area of industry or economic activity
3 within its designated region and that the investment will create permanent
4 jobs.

5 6. In June 2004, SDIBI became an approved regional center for a
6 contiguous 45-county area in eastern South Dakota. SDIBI's regional
7 center is focused on attracting investments and creating jobs in South
8 Dakota's dairy and meat packing industries. Currently, SDIBI has
9 approved thirteen (13) investment opportunities/projects within its
10 designated regional center. As such, foreign entrepreneurs seeking
11 permanent resident status may apply for an EB-5 visa by making a
12 minimum \$500,000 investment in one of the approved commercial
13 enterprises located in SDIBI's designated regional center.

14 7. Hanul Professional Law Corporation ("Hanul"), with offices in
15 Seoul and Los Angeles, works closely with SDIBI to recruit foreign
16 investors to South Dakota. Hanul has "unofficial" exclusive rights to market
17 SDIBI's 13 EB-5 projects as well as provide the foreign investors with legal
18 services relating to their visa applications.

19 8. In or around July 2007, Stratmore, on behalf of Darley,
20 contacted SDIBI about obtaining exclusive rights to recruit investors for its
21 EB-5 approved projects. Joop Bollen ("Bollen"), SDIBI's director, explained
22 that Hanul had authority to appoint companies to market SDIBI's EB-5
23 projects on both an exclusive and non-exclusive basis vis-a vis certain
24 geographic territories. Bollen directed Darley to contact James J. Park,
25 Esq. ("Park"), a partner in Hanul's Los Angeles office.

26 9. In late August 2007, Darley and Hanul began negotiating the
27 terms of an agreement that supported both parties' efforts to promote and
28 recruit investors for SDIBI's EB-5 projects.

1 10. On October 18, 2007, Stratmore as President of Darley and Si
2 Ill Jang, Esq., a Partner Attorney with Hanul, entered into an Overseas
3 Recruitment and Service Agreement for U.S. EB-5 Permanent Residence
4 Visa ("Agreement"), of which SDIBI was a direct third-party beneficiary. A
5 true and correct copy of the Agreement is attached hereto as Exhibit 1.

6 11. SDIBI was an active participant in the contract negotiations and
7 was copied on virtually all correspondence between Darley and Hanul.
8 Specifically, SDIBI negotiated the terms of the Agreement relating to
9 Darley's exclusive right to recruit investors for certain territories.

10 12. The overlying purpose of the Agreement was to recruit foreign
11 nationals to invest solely in SDIBI's EB-5 projects. During the term of the
12 Agreement, Darley was precluded from recruiting investors for any other
13 EB-5 program in the United States.

14 13. The Agreement appointed Darley (and its international
15 sub-agents) as an exclusive independent contractor to recruit foreign
16 nationals from specified territories, including parts of China, to invest in
17 SDIBI's approved EB-5 projects within SDIBI's designated regional center.

18 14. Under the Agreement, Hanul was obligated to support Darley's
19 marketing and recruitment efforts by, *inter alia*, providing Darley with
20 information, documents and materials on SDIBI's EB-5 projects, translating
21 documents into Mandarin and English and processing visa applications for
22 investors recruited by Darley.

23 15. Paragraph 13 (B) of the Agreement contained an arbitration
24 provision, which provided that:

25 "...Any dispute arising out of this Agreement shall
26 be compulsory mediated followed, if necessary, by
27 Arbitration under the auspices of JAMS ADR
28 (Arbitration and Dispute Resolution) in San

1 Francisco, California. Any dispute, claim or
2 controversy arising out of or relating to this
3 Agreement or the breach, termination, enforcement,
4 interpretation or validity thereof, including the
5 determination of the scope or applicability of this
6 agreement to arbitrate, shall be determined by
7 arbitration in San Francisco, California before one
8 arbitrator. The arbitration shall be administered by
9 JAMS pursuant to its Streamlined Arbitration Rules
10 and Procedures. Judgment on the Award may be
11 entered in any court having jurisdiction. This clause
12 shall not preclude parties from seeking provisional
13 remedies in aid of arbitration from a court of
14 appropriate jurisdiction..."

15 16. In accordance with the terms of the Agreement, Darley
16 employed its best efforts to recruit qualified foreign nationals to invest in
17 SDIBI's EB-5 projects, namely SDIBI's "Tilapia" project. In December
18 2007, less than two months after the parties entered into the Agreement,
19 Darley and its Chinese sub-agents conducted seminars in Beijing and
20 Shanghai to recruit investors for SDIBI's Tilapia project.

21 17. Hanul and SDIBI promised that Hanul would provide Darley
22 with materials relating to the Tilapia project by early November 2007 - one
23 month prior to the Beijing and Shanghai seminars. Hanul failed to do so.

24 18. Despite the lack of project materials, Darley received a definite
25 and concrete interest from 30 potential investors that attended the Beijing
26 and Shanghai seminars. Darley could not, however, recruit any interested
27 investors without the requisite information from Hanul.
28

1 19. Upon returning from China, Darley continued to request that
2 Hanul and/or SDIBI provide the promised products and information so that
3 its sub-agents could continue the recruitment process with respect to the
4 30 interested investors. Hanul and SDIBI again failed to do so.

5 20. In late December 2007, SDIBI informed Darley that it was
6 withdrawing the SDIBI Tilapia project. At this same time, SDIBI
7 established a separate entity to manage relationships with overseas
8 immigration agencies and recruit investors on SDIBI's behalf.

9 21. Petitioner alleges that SDIBI created this separate entity to
10 exploit the investor potential in China and to and avoid paying Darley
11 recruitment fees via the Agreement with Hanul. Petitioner further alleges
12 that the creation of this separate recruitment entity pressured Hanul to
13 breach its Agreement with Darley.

14 22. A dispute has arisen between the parties to the Agreement in
15 that Petitioner contends that SDIBI induced Hanul to breach the
16 Agreement by failing to provide it (and its sub-agents) information
17 necessary to recruit investors both before and after SDIBI withdrew the
18 Tilapia project from the market. Petitioner further alleges that Hanul's
19 breach, in conjunction with SDIBI's bad faith withdrawal of the Tilapia
20 project, directly resulted in the loss of substantial fees to Darley.

21 23. In accordance with the terms of the Agreement, Petitioner sent
22 a demand for arbitration before JAMS to Hanul, asserting that it had
23 breached the October 18, 2007 Agreement, on March 17, 2008. A true
24 and correct copy of Petitioner's March 17, 2008 demand for letter is
25 attached to the Declaration of Maxwell M. Blecher ("Blecher Decl."), filed
26 concurrently, Exh. 1.

27 24. Petitioner sent a demand for arbitration before JAMS to
28 Respondent SDIBI, asserting that it had breached the October 18, 2007

1 Agreement, on March 18, 2008. A true and correct copy of Petitioner's
2 March 18, 2008 demand letter is attached to Blecher Decl., Exh. 2.

3 25. On May 7, 2008, SDIBI responded to Petitioner's arbitration
4 demand by asserting that it is not subject to the arbitration because it is not
5 a party to the contract. A true and correct copy of Respondent SDIBI's
6 May 7, 2008 letter is attached to Blecher Decl., Exh. 3.

7 26. On May 13, 2008, Hanul responded to Petitioner's arbitration
8 demand and agreed to submit the dispute to arbitration pursuant to the
9 terms of the parties' Agreement. A true and correct copy of Hanul's May
10 13, 2008 response is attached to Blecher Decl., Exh. 4.

11 27. On May 15, 2008, counsel for Petitioner responded to SDIBI's
12 May 13, 2008 letter and again urged that it submit to arbitration. A true
13 and correct copy of Petitioner Darley's May 15, 2008 response is attached
14 to Blecher Decl., Exh. 5.

15 28. Respondent SDIBI failed to respond to Petitioner's May 15,
16 2008 follow-up letter.

17 29. Hanul and Petitioner Darley are currently parties to an ongoing
18 arbitration pending before JAMS in San Francisco, California.

19 30. Petitioner files this Petition with the Court seeking an order
20 compelling Respondent SDIBI to participate in the pending arbitration in
21 San Francisco, California.

22 WHEREFORE, Petitioner respectfully requests that the Court:

23 1. Enter an order finding that a written Agreement to
24 arbitrate the controversy exists, that Respondent SDIBI is subject to the
25 Agreement's arbitration provision, and that arbitration proceed in the
26 manner provided in the written Agreement;

27 2. Award Petitioner recovery of costs in this proceeding;
28 and,

3. Award such other relief as the Court considers proper.

DATE: July 30, 2008

BLECHER & COLLINS, P.C.
MAXWELL M. BLECHER
JENNIFER S. ELKAYAM

By:



MAXWELL M. BLECHER
Attorneys for Petitioner DARLEY
INTERNATIONAL, LLC

Exhibit 1

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OVERSEAS RECRUITMENT AND SERVICE AGREEMENT FOR US EB-5 PERMANENT RESIDENCY VISA

THIS OVERSEAS RECRUITMENT AND SERVICE AGREEMENT ("Agreement") is made between the following parties:

--HANUL PROFESSIONAL LAW CORPORATION, Los Angeles, CA USA and Seoul, Korea, hereinafter referred to as "Hanul"; and
--DARLEY INTERNATIONAL, LLC, Orinda, CA USA, a Delaware limited liability corporation, hereinafter referred to as "Darley."

Hanul and Darley agree to the following terms and conditions:

DEFINITIONS OF TERMS USED HEREIN:

SDIBI EB-5 Projects: Various for-profit projects reviewed and approved by South Dakota International Business Institute that are candidate for US EB-5 projects under the auspices of USCIS designated Regional Center that SDIBI obtained in June of 2004 and amended thereon that Hanul holds unofficial exclusive rights to promote and process from SDIBI.

Investor(s): Alien beneficiary who has been recruited by DARLEY for SDIBI EB-5 Projects including I-526/I-829 petition and IV processing.

1. APPOINTMENT:

- A. Because State of South Dakota is prohibited from granting exclusive rights to private entities in regards to SDIBI EB-5 Projects, Hanul's right to grant exclusive marketing rights specified herein is based on the unofficial rights to exclusively market SDIBI EB-5 Projects promised by SDIBI to Hanul and therefore shall be valid only while Hanul's rights are honored by SDIBI and all rights, powers and authorities granted to DARLEY herein shall terminate when Hanul's rights are rescinded by SDIBI.
- B. HANUL hereby appoints DARLEY as an EXCLUSIVE INDEPENDENT CONTRACTOR (AND NOT AN EMPLOYEE OR AGENT OF HANUL,) TO RECRUIT INVESTORS FROM TERRITORIES SPECIFIED IN APPENDIX A & C AND SHALL BE NON-EXCLUSIVE INDEPENDENT CONTRACTOR FOR OTHER TERRITORIES SPECIFIED IN APPENDIX B for a US EB-5 Entrepreneur Program that grants US Permanent Residency ("Green Card") to qualified investors that makes qualified investment

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with the South Dakota International Business Institute ("SDIBI") approved EB-5 projects in the SDIBI Regional Center as referred to as SD EB-5..

- C. The Exclusivity granted herein shall be subject to performance review of DARLEY (i) producing minimum of fifty (50) SDIBI EB-5 Investors from China/Taiwan/Hong Kong within the nine (9) month period beginning from the execution of this Agreement between the HANUL and DARLEY. (ii) A minimum of twenty-five (25) EB-5 Investors must be produced from provinces and cities of China that are outside of the exclusive territories in APPENDIX A by end of month five (5) in order that the rest of China (less Beijing and Guangdong Province) be added to Appendix A as exclusive for Darley. Not producing the minimum number of Investors as specified herein in (i) shall result in Appendix A territories no longer remaining exclusive. Not producing the minimum number of investors in (ii) as outlined above shall result in those territories remaining non-exclusive. Upon reaching the goal of twenty-five Investors by end of month five (5) as per (ii) above and a total of fifty (50) Investors by end of month nine (9) (from a total of fifty (50) investors (from a combination of (i) and (ii),) all of the cities and Provinces of China will be added to APPENDIX A as Exclusive, with the exception of the city of Beijing and Guangdong Province.
- D. DARLEY's exclusivity for all of China less Beijing and Guangdong, as gained, through its performance above shall be subject to the minimum performance quota of DARLEY producing 100 Investors from its exclusive territories of APPENDIX A, to be produced by annual anniversary of DARLEY obtaining such exclusivity above. Not meeting the minimum performance requirement shall constitute a breach giving rights to immediately terminate this Agreement at the sole discretion of HANUL.
- E. Former Soviet Union Countries. HANUL further grants exclusivity to DARLEY for former Soviet Union Countries as listed in APPENDIX C, subject to performance review of DARLEY producing minimum of thirty (30) SDIBI EB-5 Investors from these countries within the nine (9) month period beginning from the execution of this Agreement between the HANUL and DARLEY. Not producing the minimum number of Investors as specified herein shall result in APPENDIX C territories no longer remaining exclusive.
- F. Even if for some reason the relationship ends between HANUL and DARLEY at some point in time, any Investors in writing to HANUL before termination takes full effect, shall be 'grandfathered,' such that DARLEY is compensated in full for said fees of any nature payable by HANUL to DARLEY.
- G. During the period of time when exclusivity for all of China (less Beijing and Guangdong above) is in effect, DARLEY shall market only for SDIBI in regards to EB-5 projects.

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- H. Said Appendix A & C above may be amended from time to time by written approval of all parties and made a part of this Agreement.
- I. Said Appendix B may be amended by HANUL, at HANUL's sole discretion, as HANUL business necessitates. If however, DARLEY is engaged in meaningful activities in the territories in APPENDIX B, HANUL and DARLEY shall come to reasonable agreement as to protect the marketing and business activities of DARLEY.
- J. DARLEY agree to use diligent efforts to recruit Investors for SDIBI EB-5 Project and assist Investor to obtain EB-5 Visa ("Green Card") and cooperate with the HANUL, and assist Hanul to obtain payments from Investors for services provided herein.
- K. DARLEY has the exclusive rights in those territories designated in Appendix A & C attached hereto and the non-exclusive rights in those territories designated in Appendix B attached hereto to designate sub-agents to assist in the marketing in connection with the efforts of DARLEY. All contacts and business relationships between any sub-agents including all business resulting from all its sub-agents and DARLEY shall be honored as such by Hanul for the term of this Agreement. HANUL agree to never circumvent the business relationship of DARLEY and its sub-agents even after termination of this Agreement between HANUL and DARLEY.

2. HANUL RESPONSIBILITIES:

- A. For Investors, make best attempt to match SDIBI EB-5 Project for Investors whereby, DARLEY will engage in marketing and recruiting qualified Investors. HANUL will provide placement in a SDIBI EB-5 Projects for DARLEY recruited Investors and coordinate with SDIBI to place DARLEY's Investors without undue delay in such projects.
- B. HANUL will provide Information on SDIBI EB-5 Project that DARLEY is recruiting at the time and support the marketing and recruitment efforts with all reasonably necessary documentation for such recruitments.
- C. Process Investors application for the I-526 Alien Entrepreneur Petition; manage and oversee all NVC form and processes and assist with the immigrant visa approval from overseas US consular office, and subsequent I-829 condition removal process thereof.
- D. HANUL shall promptly answer any questions asked by DARLEY regarding the immigration and consular processing and upon request of DARLEY, explain and inform DARLEY of any potential problems or problems encountered.

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- E. HANUL shall engage the SDIBI EB-5 Project general partners throughout the duration of the project such that a fair rate of return of Investor's funds from their Investment is returned to Investors in accordance with the mandates of the SDIBI EB-5 Project and all applicable laws and regulations of the United States.
- F. HANUL and DARLEY shall communicate together about the details of its monitoring progress on the SDIBI EB-5 Projects such that HANUL and DARLEY can inform Investors from time to time of such updates.
- G. HANUL shall provide Chinese speaking employee to be the liaison between DARLEY's Chinese recruiters, Investors and HANUL.

3. DARLEY RESPONSIBILITIES:

- A. Establish or use an existing office with designated person(s) to be the contact and liaison with HANUL.
- B. Provide HANUL with the ability to identify and screen qualified Investors.
- C. Pre-screen Investors for the following qualifications:
Investors shall have a qualification generally required by US EB-5 program and in particular the following:
 - 1. Educational background, employment and general personal history to ensure that the Investor has solid personal history for US EB-5 visa;
 - 2. Pre-screen and review Investor's current passport. If prior visa denials, immigration or passport problems, DARLEY must communicate and coordinate with HANUL for further processing of such application of Investor;
 - 3. Pre-screen Investors for financial ability required for EB-5 immigrant visa issuance;
 - 4. Pre-screen Investor for any health or medical related conditions on Investor and family members that may hinder obtaining US EB-5 visa by US consular post;
 - 5. Pre-screen Investor for any criminal records on Investor or family members that may hinder obtaining US EB-5 visa by US consular post; and,
 - 6. Any known conditions or situations which otherwise may pose difficulties for US EB-5 visa issuance.
- D. Explain to Investor relevant aspects of immigration through SDIBI EB-5 Projects and assist Investor to complete HANUL Application Forms and to provide HANUL a personal qualification package on Investor based on HANUL's standard formats as provided by HANUL.
- E. Explain to the Investor the actions and activities that may jeopardize the Permanent Resident Status and may lead to possible removal from the U.S.

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- G. Assist Investors to complete Application for Visa and prepare for interview with Overseas US Consular Officers.
- H. Cause Investors to deposit investment amount (USD \$500,000) and Legal and Service and Processing Fees as specified below.

4. ESCROW/TRUST BANK ACCOUNT:

Investment Amount: At minimum, \$500,000 investment in US dollar currency is to be paid by the Investor in to the designated escrow or attorney-client trust account (hereinafter "escrow/Trust Account"), that HANUL will provide from time to time, for the purposes of fulfilling investment in accordance with Escrow Agreement that investors will sign with the SDIBI and escrow/Trust Account bank. The escrow/Trust Account shall be established under the name of the investor in a bank of international reputation as practical and safe and will have conditions that are described in the Escrow Agreement specified above. The investment in the escrow/Trust Account bank account will be released to the SDIBI EB-5 Project's limited partnership account AFTER the Investor's I-526 petition is approved by USCIS per escrow instructions of the Escrow Agreement.

5. FEES AND COSTS:

- A. The Legal Fees for EB-5 Visa Applicants shall be USD\$20,000.00 plus out of pocket filing fees and costs payable to USCIS (currently, the EB-5 filing fee is \$1,435.00; National Visa Center fees of \$338 per person; or I-485 fee of up to \$1,200.00 per person as appropriate; and, subsequent Removal of Conditions Fee to obtain a Green card at about USD\$3,000.00. In addition, out-of-pocket fees may include any accounting work needed for the visa process and any out-of-pocket fees for translation work). The Legal Fees include services for the following:
 - (1) preparation and submission of I-526 Alien Entrepreneur Petition with the USCIS and all necessary acts and service thereof;
 - (2) preparation and subsequent processing of US Consular processing through US consular post of interest OR I-485 adjustment of status for USCIS processing whichever may apply;
 - (3) preparation and subsequent processing of I-829 Condition Removal when due in 21 months from the date of Investor's conditional green card obtainment; and,
 - (4) The above-noted services are the responsibility of HANUL to fulfill provided that DARLEY assist HANUL in communicating with DARLEY Investors.
- B. The Service Fees for SDIBI EB-5 Projects shall be USD\$30,000.00 and shall include the following services:

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- (1) Organizing, coordinating and syndicating with SDIBI EB-5 Project general partners for establishing a SDIBI EB-5 Project for Investor;
 - (2) monitoring and communicating on behalf of Investors to ensure successful operation of the SDIBI EB-5 Project;
 - (3) negotiating and representing Investors interest through exit by Investor from their SDIBI EB-5 Project; and,
 - (4) The above-noted services are the responsibility of HANUL to fulfill provided that DARLEY assist HANUL in communicating with DARLEY Investors.
- C. DARLEY shall have Investor directly submit payment of USD\$50,000.00 (the Legal and Service Fees) PLUS the filing fees specified above, to HANUL's Trust Account in Los Angeles, California. HANUL shall draw fees from the Trust Account according to the following schedule:

STAGE 1: USD\$20,000.00. at any time of HANUL's choosing prior to submission of I-526 petition to USCIS whereby Legal Fees and Service Fees shall constitute USD\$10,000.00 each:

STAGE 2: USD\$30,000.00. AFTER successful approval of I-526 petition and within fifteen (15) days of HANUL's notice of such approval to DARLEY and Investors whereby USD\$10,000.00 shall be for Legal Fees and USD\$20,000.00 shall be for remaining Service Fees; and,

Filing Fee: As necessary at the time of submission of respective filings.

- D. Success Fee at Divestment. Should an agreement be made with Investor for success fee at the time of divestment from SDIBI EB-5 Project, HANUL shall retain 50% and DARLEY the 50% of such success fee.

6. DARLEY AGENT FEES:

- A. DARLEY shall be entitled to following fees, to be paid out of HANUL Trust Account, for the services DARLEY provides HANUL for SDIBI EB-5 Projects as specified in Section 3 above and shall be paid in following manner:

- (1) All payments from HANUL shall be made on a valid invoice or statement from DARLEY that includes bank account information and international wire-transfer instruction ("Invoice");
- (2) In respect to Project 12 (NBP—Northern Beef Packers LP), of the above-noted USD\$50,000.00, following distribution shall apply:
 - (i) USD\$10,000.00 to DARLEY from the STAGE 1 Service Fees;
 - (ii) USD\$20,000.00 to DARLEY from the STAGE 2 Service Fees; and,
 - (iii) USD\$5,000.00 to ROBERT D. STRATMORE from the STAGE 2 Legal Fees.

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- (3) In respect to new SDIBI EB-5 Projects (project 13 and beyond), of above-noted USD\$50,000.00, following distribution shall apply:
 - (i) USD\$10,000.00 to DARLEY from the STAGE 1 Service Fees; and,
 - (ii) USD\$20,000.00 to DARLEY from the STAGE 2 Service Fees.
- (4) The payment to DARLEY shall be further distributed between DARLEY and STRATMORE as necessary.

7. REFUNDS TO INVESTOR, HANUL AND DARLEY:

A. In accordance with Fee Schedule above, refunds will be administered as follows:

- (1) In any case of Investor not receiving his/her US immigrant visa or Green Card, Investor's \$500,000 investment shall be returned to Investor from Limited Partnership within a reasonable time for Limited Partnership to refund the investment not to exceed more than three (3) months from date of denial of such approval;
- (2) If the Investor terminates the Agreement at any specific Stage of the process as outlined above, HANUL and the DARLEY will NOT refund any Fees deposited and received from the Investor up to that Stage, but shall return all remaining fees in the Trust Account;
- (3) However, in case the I-526 petition is not approved for reasons other than the Investor's fault (i.e. false documents, medical conditions, criminal records, immigration status violation, etc.), then the Investor shall be refunded all the Fees in the Trust Account, including the \$10,000 legal fee paid for submitting I-526 but shall not be refunded any government fees or costs paid up to that stage;
- (4) If the INS does not approve the I-485 adjustment application or the overseas US Consulate does not issue the EB-5 visa for reasons other than the Investor's misrepresentations about material facts of the Investor's case (i.e. false documents, medical conditions, criminal records, immigration status violation, etc.), HANUL and DARLEY will refund all Fees deposited including the USD\$10,000.00 Legal Fees but not any government fees or costs already paid up to that stage.
- (5) In any case, of any legal fees being retained [e.g. of \$10,000], HANUL shall pay half (\$5,000) to DARLEY for services rendered.

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8. COVENANTS, WARRANTIES AND CONDITIONS:

- A. DARLEY agrees to use only HANUL approved forms, and agrees to make no inaccurate representations to the Investor other than the information provided by HANUL in writing.
- B. DARLEY may advertise referring to the name of HANUL or in any marketing materials. (DARLEY or Robert D. Stratmore, Esq. may advertise in their own name.)
- C. DARLEY agrees not to incur any charges, costs or other liabilities on behalf of HANUL without the express written consent and authorization from HANUL. Hanul agrees similarly as to Darley.
- D. DARLEY and HANUL agree, to the best of their knowledge, to maintain compliance with all laws of the US government, including but not limited to: Citizenship and Immigration Services and the Department of State, and all other applicable government agencies.
- F. HANUL covenants and warrants that it will comply with all California State Bar Rules in respect to its laws, rules and regulations governing segregation of funds for clients and the proper maintenance of records and balances in Attorney-Client Trust Fund matters.

9. CONFIDENTIALITY AND NON COMPETE:

- A. DARLEY agree to hold all disclosed confidential and proprietary information and trade secrets in confidence and agrees to use this information only for the contemplated purposes and not for use, adaptation or copy for any company or commercial purpose unrelated to the SDIBI EB-5 Projects, including competition or disclosure to any third parties (except Darley's sub-agents as necessary in the sole view of Darley). HANUL shall, however, indicate when certain information or material is on confidential basis in writing to DARLEY.
- B. DARLEY does expressly covenant and agree that during the term of this Agreement and for a period of two years immediately following termination of this Agreement with HANUL, regardless of the reasons for said termination, the DARLEY will not, without prior written consent of HANUL, directly or indirectly, for itself, or through or on behalf of others, as an individual, or as an employee, agent, or sales representative for any person, partnership, firm, corporation, or other entity either contact or do business with SDIBI EB-5 Project principals (i.e. general partners of each project, etc...).
- C. HANUL shall not conduct business with DARLEY's sub-agents and Investors for two (2) years following termination of this Agreement, PROVIDED that

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DARLEY specify such sub-agents to HANUL by giving list of name, contact information, business credentials and identification of affiliation with DARLEY of such sub-agents within two (2) months of this Agreement or two months after signing any new sub-agents while this Agreement is in effect. Any sub-agents of DARLEY not identified consistent with the above shall not be considered DARLEY's sub-agents for the purposes of non-compete UNLESS HANUL and DARLEY agree otherwise.

- D. HANUL agrees to keep personal information of Investors as provided by DARLEY, its sub-agents, and Investors confidential and shall treat such information as proprietary information.

10. TERM:

- A. This Agreement will be effective upon execution by and between HANUL and DARLEY.
- B. This Agreement to be in effect for two (2) years from the date of full execution and thereafter this Agreement will automatically be renewed for additional terms of twelve (12) month periods unless terminated by sixty (60) days written notice prior to renewal period by either party.

11. DISCLAIMERS AND WARRANTY:

- A. HANUL cannot and will not promise or guarantee that any Investor will receive the EB-5 Visa or I-485 adjustment of status approval, as such approval is subject to the sole discretion of the US government agencies, including Citizenship and Immigration Service (CIS), and Department of State (DOS).
- B. HANUL cannot and will not promise or guarantee the performance or conduct, of the SDIBI EB-5 Project participating general partners or partnerships and HANUL further cannot and will not promise any profit on the investment from SDIBI EB-5 Projects.
- C. DARLEY will not be responsible for the Investor's misrepresentation or actions either prior to or after the Investor obtains immigrant visa. However, DARLEY on behalf of HANUL will explain the U.S. immigration laws to the Investor.

12. BREACH AND DAMAGES:

That, in the event of a breach of this Agreement, this Agreement shall be cancelled and terminated subject to any ruling or determination by JAMS either by mediation or arbitration (See Par. 13 hereinbelow). All parties are liable to each other for actual

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damages, and other injunctive and equitable relief that is allowed by law pursuant to the determination by JAMS. Refund to the Investor that is provided in Section 7 shall survive any cancellation or termination.

13. MISCELLANEOUS:

- A. All parties will communicate with each other on a regular basis in English (Chinese may also added) as to the status of projects being released, recruitment, visa approvals, time schedules, and other matters necessary for the administration of this Agreement. The primary method of communication will be by e-mail, however, express mailings, fax and telephone will be used as necessary and English shall be the only official language used for any correspondence or communication between HANUL and DARLEY.
- B. This Agreement will be binding upon the parties, their successors and assigns. Time is of the essence in respect to this Agreement. This Agreement will be enforced under the laws of the State of California, United States of America and the laws of the State of California will have exclusive authority, exclusive jurisdiction, and exclusive venue and be binding upon the parties. Any dispute arising out of this Agreement shall be compulsory mediated followed, if necessary, by Arbitration under the auspices of JAMS ADR (Arbitration and Dispute Resolution) in San Francisco, California. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in San Francisco, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.
- Allocation of Fees and Costs: The arbitrator may, in the Award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party.
- Prior to the appointment of the arbitrator, and within 10 days from the date of commencement of the arbitration, the parties shall submit the dispute to JAMS for mediation. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and I promptly scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that

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is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If the dispute is not resolved within 30 days from the date of the submission of the dispute to mediation (or such later date as the parties may mutually agree in writing), the administration of the arbitration shall proceed forthwith. The mediation may continue, if the parties so agree, after the appointment of the arbitrator. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as the arbitrator in the case. The pendency of the mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending.

- C. This is the entire Agreement and no oral provisions or other agreements unless referred to herein or as written executed amendments will be binding between the parties. In the event any section of this is unlawful or illegal, the balance of the Agreement will continue and be binding.
- D. COUNTERPARTS. This Agreement and any addendums may be executed in counterpart and transmitted via facsimile as if originally-executed documents.

IN WITNESS WHEREOF, the DARLEY and HANUL hereto have signed this Agreement as of the dates indicated below.

Signatures

HANUL

HANUL PROFESSIONAL LAW CORP.
DAEGAK BLDG., 14TH FLOOR 1319-5
SEOCHO-2DONG, SEOCHO-GU, SEOUL
137-857, SEOUL KOREA

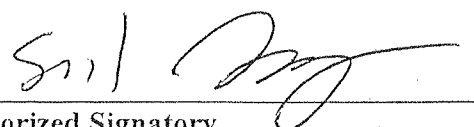
SIGNED for and on behalf of HANUL
Professional Law Corporation by its
authorized signatory:

Si Il Jang, Esq.

Name

Partner Attorney

Title


Authorized Signatory

Confidential Information

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DARLEY

*DARLEY INTERNATIONAL, LLC
277 LA ESPIRAL ROAD
ORINDA, CALIFORNIA 94563 USA*

SIGNED for and on behalf of Darley
International LLC. by its authorized
signatory:

Robert D.
Stratmore

Name

President

Title

Authorized Signatory

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TSL

APPENDIX A

EXCLUSIVE TERRITORIES AND CITIES AS PER THE HANUL, DARLEY
AGREEMENT

CHINA

Provinces:

Anhui

Jiangsu

Zhejiang

Cities or Municipalities:

Shanghai

Nanjing

TAIWAN

HONG KONG

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APPENDIX C

COMMONWEALTH OF INDEPENDENT STATES
Aka FORMER SOVIET UNION (15 Republics)

RUSSIAN FEDERATION
UKRAINE
KAZAKHSTAN
LITHUANIA
LATVIA
ESTONIA
AZERBAIJAN
ARMENIA
TURKMENISTAN
MOLDOVA
TAJKISTAN
BELARUS
KYRGYZSTAN
GEORGIA

Jennifer Elkayam

From: Robert Stratmore [sovtrade@pacbell.net]
Sent: Thursday, July 17, 2008 5:58 PM
To: Jennifer Elkayam
Subject: Fw: Agreement Scan File

----- Original Message -----

From: Sovtrade@pacbell.net
To: James Park
Cc: Austin Kim ; bollenj@northern.edu ; Joe Kim ; 하지원
Sent: Friday, October 19, 2007 12:11 AM
Subject: Re: Agreement Scan File

Dear James,

Bravo!

Thank you for the fully executed Agreement signed by Mr. Jang. Well received. Please add the execution page you received from me as a counterpart and we have a complete Agreement.

I have reviewed the subscription agreement you have attached and it looks fine to me. Please proceed with the translation into Mandarin as well.

I will contact Austin on Friday & will wait for the other items from you.

The Tilapia Business Plan & slide show looked very intriguing & I believe has the potential to be a great success. I want to study it more in detail and further for your thoughts and any proposed changes.

By the way, please try to incorporate a 20% Success fee for both of our sides into the initial framework of the Tilapia deal.

I suppose since it is going to be in the form of a loan with a 5% per annum return rather than an equity investment, it will not have the upside it otherwise might attain.

Thanks for your looking after this all quickly.

Sincerely,

Robert

----- Original Message -----

From: James Park
To: Sovtrade@pacbell.net
Cc: Austin Kim ; bollenj@northern.edu ; Joe Kim ; 하지원
Sent: Thursday, October 18, 2007 11:53 PM
Subject: Agreement Scan File

Robert:

Please find our agreement initialed and signed by our partner attorney, Mr. Jang. We are ready to roll.

Also attached is our subscription agreement. See if you like it. If you do, we'll have it translated to Mandarin over the weekend.

As for the attorney-client agreement. Please talk to Austin tomorrow and draft it with him tomorrow. Once you and Austin reach a final draft, I will also have it translated in to Mandarin over the weekend as well.

we'll also send you Chinese version of our client questionnaire early next week.

Finally, I will have a complete package on Tilapia plant ready for marketing within two weeks. That means, we can start marketing and filling this project in November. Thanks.

James J. Park, Esq.
Hanul Professional Law Corporation

Korea Office
Daegak Bldg., 14th Fl. 1319-5 Seocho 2-dong, Seocho-gu
Seoul 137-857 Korea. T. 82-2-522-9799. F. 82-2-522-1270 Mobil: 82-11-9446-0848

Los Angeles Office
3699 Wilshire Blvd., Suite 1150 Los Angeles, CA 90010
T. 213-386-0008. F. 213-386-0088

THIS TRANSMISSION AND THE ATTACHED DOCUMENTS, IF ANY, ARE INTENDED ONLY FOR THE USE OF ADDRESSEE, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS COMMUNICATION IS PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE OR RETURN E-MAIL AND DELETE THIS E-MAIL MESSAGE. THANK YOU.

DARLEY INTERNATIONAL, LLC
TEL: (925) 258-0600
FAX: (925) 253-0999

FACSIMILE TO (213) 622-1656
THREE PAGES TOTAL

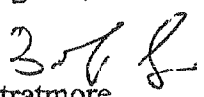
→ ATTENTION: JENNIFER ELKAYAM, ESQ.
BLECHER & COLLINS
LOS ANGELES, CA

Dear Jennifer,

Attached, please find a copy of the fax cover sheet, dated October 18, 2007, I sent to Mr. Park along with my executed signature page.

Please see the emails I sent you re Hanul's executed Agreement (by Mr. Si Il Jang, Esq.) and my email to Mr. Park confirming that I sent him this fax & signature page.

Best regards,


Bob Stratmore

October 18, 2007, 2007
TWO PAGES TOTAL

FAX TO: MR. JAMES PARK
HANUL PLC
SEOUL

FAX NUMBER: 011 82 2 522 1270

FROM: ROBERT D. STRATMORE, DARLEY INTERNATIONAL, LLC
EMAIL: sovtrade@pacbell.net
Fax: (925) 253-0999

Dear James,

I am pleased to attach my signature page fully executed on behalf of Darley International, LLC in respect to the clean version of the final Agreement I sent to you via email about 1:50PM CA time today.

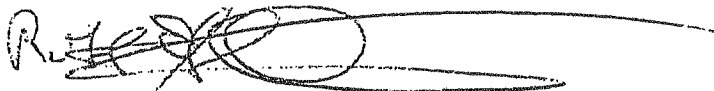
As I requested in my note to you attaching the final Agreement, please have the signature page executed by Mr. Si Il Jang, Esq. of Hanul.

In addition, if you can please have all of the other pages initialed and then scan them to me via email for attachment to the Agreement.

Thank you very much.

I am looking forward to a great long-term success for all of us.

Sincerely yours,



ROBERT D. STRATMORE, President
DARLEY INTERNATIONAL, LLC

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DARLEY

DARLEY INTERNATIONAL, LLC
277 LA ESPIRAL ROAD
ORINDA, CALIFORNIA 94563 USA

SIGNED for and on behalf of Darley
International LLC. by its authorized
signatory:

Robert D.
Stratmore
Name

President
Title


Authorized Signatory


VERIFICATION

STATE OF CALIFORNIA)
COUNTY OF CONTRA COSTA)

I, the undersigned, certify and declare that I have read the foregoing PETITION FOR ORDER COMPELLING ARBITRATION PURSUANT TO WRITTEN AGREEMENT and know its contents.

I am President of DARLEY INTERNATIONAL, LLC and am authorized to make this verification for and on its behalf, and I make this verification for that reason. I am informed and believe and on that ground allege that the matters stated in the Petition are true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 30th day of July 2008 at the city of Orinda, California.


Robert D. Stratmore, Darley Int'l, LLC

Robert D. Stratmore
President, Darley International,
LLC