Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Foreign Affairs

Subcommittee:

Hearing Date: 07/14/2026

Hearing Title:

U.S. Economic Security and Investment Abroad: Assessing Economic Security Zones

Witness Name: Erick A. Brimen

Position/Title: CEO, Founder, Chairman. See Attachment A

Witness Type: ○ Governmental ◉ Non-governmental

Are you representing yourself or an organization? ○ Self ◉ Organization

If you are representing an organization, please list what entity or entities you are representing:

Próspera International Inc. and Honduras Próspera Inc., together with their subsidiaries and affiliates in the United States, Honduras, and El Salvador (the "Próspera Group").

<u>FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY</u>

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

Yes as to Próspera International Inc.; Honduras Próspera Inc.; NeWay Capital LLC; St. John's Bay Development Company LLC; North Bay GSP, Inc.; and other subsidiaries and affiliates within the Próspera Group, organized in the United States, Honduras (including under the internal regulations of Próspera ZEDE, which form part of the Honduran legal hierarchy), and El Salvador, each of which may be deemed to have an interest in the subject matter of the hearing; I also serve as Council of Trustees Secretary in Próspera ZEDE.

Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.

Not applicable because there are none.

Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.

One Cooperation and Investment Promotion Agreement with the Honduran Secretaría de Estado en el Despacho de Desarrollo Económico, entered on or about April 27, 2026 and terminated July 8, 2026; no payment, grant, or funding was sought, received, or provided. See Attachment A, paras. 3–8 for full disclosure

Are you an active registrant under the Foreign Agents Registration Act (FARA)?

○ Yes ◉ No

Are you negotiating or awaiting approval to receive a contract with or a grant or payment from a foreign government?

◉ Yes ○ No

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

☑ I have attached a written statement of proposed testimony.

☑ I have attached my curriculum vitae or biography.

*Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B)(ii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.

False Statements Certification

Knowingly providing material false information to this committee/subcommittee, or knowingly concealing material information from this committee/subcommittee, is a crime (18 U.S.C. § 1001). This form will be made part of the hearing record.

Erick A. Brimen
Erick A. Brimen (Jul 10, 2026 10:24:19 MDT)

Witness signature

07/10/2026

Date

STATEMENT OF ERICK BRIMEN

Founder and Chief Executive Officer, Prospera International Before the Subcommittee on Oversight and Intelligence Committee on Foreign Affairs, U.S. House of Representatives Hearing: "U.S. Economic Security and Investment Abroad: Assessing Economic Security Zones" July 14, 2026

Chairman Mills, Ranking Member Moskowitz, and distinguished Members of the Subcommittee, thank you for the invitation to testify.

I was born in Venezuela. I grew up watching what the slow destruction of a country's institutions does to the people who live under them. Venezuela in my childhood was the richest country in Latin America. I watched it become a place people flee. That happened because the rules changed, and kept changing, until no promise the government made could be believed and nothing a family built was safe. The devastation that collectivism causes is not an abstraction to me. I have seen what it does to a neighborhood, year over year, and I decided early that some part of my life would be spent freeing people from that kind of tyranny and deprivation.

That decision sent me looking for root causes. Why do some countries produce prosperity while their neighbors, with the same people and the same resources, produce exodus? The answer I kept arriving at was rules: institutions that let ordinary people own things, enforce agreements, and build without fear of confiscation. And the fastest engine for turning good rules into better lives is entrepreneurship. I have followed that thread my whole career, from co-founding the Emerging Young Entrepreneurs Society at Babson College, through a decade in banking and management consulting at Brown Brothers Harriman, A.G. Edwards, and Ernst & Young in London, to building greenfield businesses across Latin America. Along the way I kept testing one conviction: that enterprise built on trustworthy rules pulls people out of poverty faster than anything else we know. I helped launch multiple projects in Panama that deliberately hired and trained its staff from nearby villages many of who had never had steady work, and co-founded ComparaMejor, which opened Colombia's insurance market to people who had never been able to comparison-shop for coverage. In 2013 I founded NeWay Capital to do this at larger scale: invest in projects that are profitable because they drive development.

In 2017 that thread led me to Honduras, where the Honduran Congress had enacted a legal framework inviting exactly this kind of investment. We spent the years since building Prospera: a zone on Roatan and the Honduran mainland that runs on rules serious investors can trust.

Then the politics turned. Honduras elected a government whose leaders had spent years allied with the same movement I watched destroy Venezuela. What followed confirmed the fear that has driven my whole career: rules that can be erased are not rules. Today my company and two of its American affiliates are in arbitration with the Republic of Honduras before the International Centre for Settlement of Investment Disputes for a US$1.63 billion indirect expropriation claim, conservatively valued. We never wanted that fight. For the purpose of this hearing, I would ask you to discount my case entirely. The evidence that should move you is not the investor who got hurt and filed a claim. It is the far larger universe of American capital that looked at markets like this one, ran the numbers on political risk, and never showed up at all. What my experience adds is only this: when I talk about political risk, I know exactly what it looks like when it stops being a line in a financial model and arrives at your door.

Summary of my testimony

My testimony makes three points, each drawn from nearly nine years of building and operating what this administration now calls an Economic Security Zone.

First, the rules and proper administration thereof is the product. Investors did not come to our zone for subsidies, because we offered none. They came because the legal architecture was credible: a legal system, a modern regulatory environment, property rights that meant something. Governance is infrastructure. It can be built, and when it is built well, American capital follows it into places American capital has typically refused to go.

Second, the current protection framework fails at mitigating the single most important risk factor effectively: political risk. The tools currently available to an American firm when a host government turns against it are not enough. When a change of government can destroy an investment, and the recourse is a tribunal that may rule in five years and collect in over a decade, the risk is unpriceable, and the capital stays home. Where American capital stays home, state-backed capital from Beijing fills the gap.

Third, local benefit is the model's strongest stability argument, and it always will be. We are a profit-motivated American company, and that is precisely why the zone works for Hondurans: our commercial success depends on whether the people who live and work in the zone are demonstrably better off.

What we built

My company put American capital at risk in Honduras to answer a question this Subcommittee is now examining at the level of national policy: what does it actually take to build a jurisdiction that operates to the standards American investors expect at home, in a country whose workforce and geography are competitive but whose institutions are not yet trusted?

The answer, it turns out, is everything. Working under the framework the Honduran Congress enacted, the zone stood up a commercial legal system drawn from the best models of the common-law world, a commercial registry that incorporates a business in hours rather than months, and health, building, and safety codes calibrated to advanced-economy standards and applied predictably. My company's role was the private developer's role: we proposed, we financed, we built, and we were selected on the merit of our good governance business model to administer the zone's services. The public policy adopted belongs to the zone's public institutions, and we operate under them like every other business there. From the first day, the zone provided stronger due-process protections than most of the region's ordinary court systems: every resident and every business joins knowingly, by written agreement; every Honduran inside it keeps every constitutional right a Honduran citizen holds.

On that foundation, the results came fast. More than 500 businesses have registered in the zone. Several thousand people have obtained a residency. The large majority of the workforce is Honduran, earning wages above the national average, and dozens of Honduran businesses supply the zone's projects. And the businesses the zone attracts are not the maquilas of the old zone era. Medical and biotech firms located in Honduras because the zone offered them regulation worth complying with: written standards drawn from leading international models, applied predictably, and binding on every tenant alike. Data-center and digital-infrastructure operators are following close behind. Manufacturers looking to move supply chains out of Asia and closer to the United States are evaluating the zone for exactly the nearshoring many have encouraged in hemisphere policy. That happened because, inside one jurisdiction of one country, the rules were now worth trusting.

Under Secretary Helberg has described the objective as combining "the predictability and certainty of the American common law system" with the comparative advantages of an allied country. I can report to the Subcommittee that this is not a theory waiting to be tested. Hondurans and Americans built it together. It works. It is working right now despite the prior Castro administration's effort to dismantle the legal framework on which our investment relied.

What a political transition taught us

In 2022, the new pro-CCP/PRC Castro government took office and immediately turned hostile against the zone framework – supported by PRC, Russia, Cuba, and the Venezuelan Maduro regime. If the new government had closed the framework to future zones, that would have been a policy choice we disagreed with and respected.

What happened instead was different in kind. The repeal reached backward. It erased commitments the Honduran state had already made and that American investors had already relied on, including a treaty-backed legal-stability guarantee with fifty years to run. The zone was building, employing, and paying good wages when the Castro administration attempted to withdraw the framework beneath retroactively. That distinction, between a government changing the rules going forward and a government erasing the commitments it inherited, is the single most important distinction I can offer this Subcommittee, because every serious investor prices it, and capital that stays out of the hemisphere stays out because of it.

It also means I have firsthand experience with the inadequacies of the existing solutions for political risk. The protections existed on paper, and we had layered in every one available: treaty protections, contractual stabilization commitments, an arbitration clause, that fifty-year statutory guarantee. When the moment came, every one of them turned out to be an invitation to litigate rather than a reason for the breach to stop. Arbitration gives us a claim, but a claim does not build: it compels nothing while years pass, and it cannot restore the pace of construction, investment, and higher-paying Honduran jobs the commitments promised. A commitment that carries no consequence for breaking it is, in the final tally, a suggestion, and sophisticated actors on every continent have learned to treat American investors' paper protections as exactly that.

Consider the math every emerging-market investment committee runs. If the downside case is that retroactive repeal can erase the investment, and the recourse is a tribunal that may rule in five years and collect in a decade or more, then the risk is effectively unpriceable. No sane investment committee will sign off on an investment into a project that could disappear overnight; our investors signed off only because Honduras offered extraordinary legal guarantees, and what we have learned since is that even guarantees like ours arrive too slowly when the only remedy is years of arbitration. That is the quiet failure that never makes the news:

the factories not built, the ports not modernized, the minerals left in the ground for someone else. And someone else does come. I have watched it in Honduras: in 2023 the country switched diplomatic recognition from Taiwan to Beijing and welcomed various sorts of cooperation agreements, SOEs, and CCP dignitaries, while American capital sat on the sidelines because of political risk they could not price nor effectively insure. Where American capital judges the risk unpriceable and stays home, state-backed capital fills the vacuum.

I say this with respect for how much this administration has done, because from the operator's side of the table the change is real. The American Economic Statecraft doctrine the administration has articulated is exactly the right doctrine for our country. But here is what I have learned watching investment committees evaluate the announced doctrine of any new administration: they discount any commitment they believe expires with an election. However capable the executive branch, a counterparty pricing a thirty-year investment asks one question first: what survives the next transition, in the host capital and in Washington? Today, the answer is not enough. The missing ingredient is commitment written into law, and writing it is work only Congress can do.

Despite all of these political headwinds, our project has continued to grow and to create new jobs. What we see today is a fraction of what would have been possible with real legal stability, but that the project held and grew through it all shows how powerful credible governance is at keeping American capital committed once it arrives.

What it will take to make the model repeatable

Secretary Bessent has called the Economic Statecraft framework "the new template for U.S. policy for decades to come." From the field, I agree, and I can report what the template requires, because I have built one copy of it the hard way.

What the Administration has called an Economic Security Zone is a defined area inside a U.S.-aligned country where the host government, acting under its own law, establishes the governance serious investment requires: common law, secure property rights, fair and fast adjudication of disputes, lack of corruption, and a modernized regulatory environment. The host country keeps its sovereignty; its citizens gain what they most need: jobs, infrastructure, skills, and institutions that remain whoever wins its next election. The United States gains trusted ground for its firms and its supply chains inside allied countries, at no cost to the American taxpayer, because the capital is private.

To understand what tools American capital needs to fulfill the administration's call for investment, start with what a zone actually solves. Strategic industries avoid emerging markets because the operating environment inside the country cannot support complex industry, and the political risk of a future government reversing course cannot be priced.

A zone solves this problem. Governance is infrastructure, and a zone can build it consistently with the sovereignty of its host: alternative dispute resolution, codes, registries, utilities, standards. Nothing in the current U.S. toolkit even attempts to solve the operating-environment problem, which is why the zone model matters so much. But the second problem, political durability, cannot be solved by any operator, however well capitalized, because it is a problem of sovereign commitment. Only agreements between governments, made durable by legislatures on both sides, reach it. That durability is the template's first requirement.

And I want to say something about Honduras itself, we are in a legal dispute with the government as a result of what a prior pro-CCP/PRC administration did; we are not adversaries of its people, and the outcome I have wanted from the first filing is the one where we get back to building together. I still believe the model's promise will continue to be proven. The zones of the future need host governments as friends and allies, and any American framework worth enacting will strengthen those alliances.

The third requirement is speed, because the window is not open indefinitely. The nations that will host the next generation of zones are making their choices now. What they cannot yet get from the United States is the one thing that makes an American commitment bankable on both sides: durability. If Congress supplies it, the American model outcompetes the alternative everywhere it shows up, because ours is the only offer where the host country's own citizens are the primary beneficiaries and the terms survive everyone's next election. If Congress does not, the template Secretary Bessent described will remain a set of announcements, and the map will keep filling in with someone else's zones, usually Beijing's.

The condition

Members of the Subcommittee, each of us on this panel builds something different, but we will fail or succeed on the same condition, so let me state it as plainly as I can.

American operators will take on the hardest, most strategic markets at scale when the commitments those markets make to them are written into law, survive a change of government on their end and on ours, and carry consequences that arrive in time to matter when they are broken. That condition does not exist today. None of it requires a subsidy; and we are not asking for one now. I am living proof of the condition's absence..

Congress can solve these problems by establishing a framework: put zone partnerships on a legal footing that makes the commitments on both sides durable — written into law, built to survive elections, and carrying consequences for breach that arrive in time to matter. The doctrine is articulated and the capital is ready. Durability is the missing ingredient, and it is the one ingredient only Congress can supply.

Thank you, and I welcome your questions.

ATTACHMENT A—DISCLOSURE STATEMENT AND LEGAL CAVEAT
(Incorporated by reference into the Truth in Testimony Disclosure Form of Erick A. Brimen)

1. The witness appears at the invitation of the Committee solely in his capacity as an officer of Próspera International Inc., a Texas corporation, and Honduras Próspera Inc. ("HPI"), a Delaware corporation, each headquartered in the United States, which—like other American companies operating internationally—conduct their business directly and through subsidiaries and affiliates organized in the United States, Honduras (including under the internal regulations of Próspera ZEDE, which form part of Honduran law), and El Salvador (together, the "Próspera Group"); neither the witness nor any Próspera Group entity appears for, represents, or speaks on behalf of any foreign government.
2. No Próspera Group entity is party to any current agency, representation, direction, control, or funding relationship with any foreign government, and none acts at the order, request, or direction of any foreign principal.
3. The only contracts with a foreign government to which HPI or its majority-owned or controlled affiliates are party, or have been party at any time during the past thirty-six months, are: (i) the Legal Stability Agreement with the Republic of Honduras (executed on or about March 18, 2021 and amended on or about November 18, 2021), the Charter of Próspera ZEDE as authorized by the Honduran State (2018, as amended 2019), and related formative agreements establishing HPI's authority—directly or through such affiliates—as organizer, developer, and operator of Próspera ZEDE; and (ii) a 2026 cooperation agreement with a division of the executive branch of the Government of Honduras—an unpaid effort to attract U.S. investment to Próspera ZEDE—under which no activity was undertaken and no payment or thing of value was provided or received, and which HPI terminated on July 8, 2026, following receipt of advisory guidance from the U.S. Department of Justice; to the witness's knowledge, no other Próspera Group entity is party to any contract with a foreign government. Relative to contracts under negotiation or payments expected from a foreign government, HPI is continuously exploring the possibility of reaching a binding, amicable settlement and resolution of its dispute with the Republic of Honduras in ICSID Case No. ARB/23/2.
4. The formative and stability instruments described in clause (i) are investment-authorization agreements that run in HPI's favor, vesting what Honduran law terms "acquired rights"—the analogue of vested rights at U.S. common law—and none of the agreements described in this Attachment has ever provided for, or resulted in, any payment, grant, or funding from any foreign government to HPI or any affiliate.
5. Próspera ZEDE, while not part of the Próspera Group, is also not a "foreign government" within the specialized meaning of the federal disclosure statutes, see 22 U.S.C. § 611(e) or 2 U.S.C. § 1602(6), because the framework Honduras enacted (a) opened a field for local economic self-governance with extraterritorial status relative to customs authorities—impliedly repealing, within the zone's boundaries, the national laws creating economic regulatory regimes, while expressly preserving national criminal law—to be organized by the zone's organizer and the local property owners who voluntarily incorporate their land, rather than by any delegation of sovereign authority; (b) reserved every core sovereign attribute to the Republic; (c) provided for governance that binds the zone's residents through individually executed Agreements of Coexistence; and (d) subjected the zone's own authorities to structural checks held by HPI—the zone's technical secretary takes office only upon HPI's nomination, its general services are furnished by HPI's wholly owned subsidiary, no substantive official action may be taken without

supermajority concurrence of an independent council of trustees on which HPI's representatives hold blocking rights, and no zone funds may be disbursed except through an independent fiscal trust; all foreclosing by structural design the principal-to-agent relationship with which the disclosure statutes are concerned.

6. For the avoidance of doubt, commercial arrangements between Próspera Group entities and Próspera ZEDE or its instrumentalities—including the engagement of North Bay GSP, Inc., a wholly-owned HPI subsidiary, as the zone's general service provider under the Charter—are private service contracts with the zone, not contracts with a foreign government, for the reasons stated in paragraph 5.

7. Following Honduras's 2022 repeal legislation and a 2024 judgment of unconstitutionality, the zone's continued operation rests on acquired rights—preserved by Article 94 of Honduras's Law on Constitutional Justice, the Legal Stability Agreement, and treaty guarantees forming part of Honduran domestic law—which are presently the subject of HPI's claims against the Republic in ICSID Case No. ARB/23/2.

8. Accordingly, all revenues, fees, and other amounts arising from activity within Próspera ZEDE originate in private commerce; no payment, grant, or funding originating with any foreign government and related to the subject matter of this hearing has been received by any Próspera Group entity during the past thirty-six months; and the sole foreign-government contract arising within that period is the terminated 2026 agreement disclosed in paragraph 3.

9. Neither the witness nor any Próspera Group entity is a registrant under the Foreign Agents Registration Act; HPI has maintained a voluntary advisory dialogue with the Department of Justice FARA Unit since 2019 and has kept the Unit currently informed, including with respect to the terminated agreement and this testimony.

10. This disclosure is made in good faith on the basis of the statutory definitions cited; to the extent the Committee construes any term more broadly, the witness stands ready to supplement, and nothing herein waives any privilege, protection, or position of any Próspera Group entity in any pending proceeding.

Erick Brimen

Founder and Chief Executive Officer, Próspera International, Inc.

Erick Brimen is the founder and Chief Executive Officer of Próspera International Inc. and what is being restructured as its operating subsidiary, Honduras Próspera Inc. Since 2017 he has led the private development of Próspera, an economic zone on the island of Roatán and the Honduran mainland, established under a legal framework enacted by the Honduran Congress. His company proposed the zone, financed and built it, and was selected to administer its services; the zone's rules belong to its own public institutions under Honduran law. More than 500 businesses have registered there, and its overwhelmingly Honduran workforce earns wages above the national average.

Mr. Brimen began his career in private banking at Brown Brothers Harriman & Co. and served as a mergers and acquisitions advisor at A.G. Edwards & Sons and as a consultant to private equity clients at Ernst & Young in London before becoming Chief Financial Officer of Latin American operations for the Borealis Group. He co-founded ComparaMejor.com, the leading online insurance brokerage in Colombia, and in 2013 founded NeWay Capital, the firm that co-founded what has become Próspera International. He is a graduate of Babson College, where he co-founded the Emerging Young Entrepreneurs Society.

He and his wife, Colleen, have three children.

Truth in Testimony Disclosure-Erick A. Brimen Final

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