

**Ep #003: Taking Calculated Risks and Defining
Success with Parisa Karaahmet**



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Sahil Vakil

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Welcome to the Myra Wealth Podcast. Myra Wealth provides personal finance services to international and multi-cultural families in the United States. Each week our founder and CEO Sahil Vakil interviews highly successful international and multi-cultural individuals to uncover how they managed their money. And how they navigated some of the most important personal finance decisions of their lives.

Learn from these first- and second-generation immigrants just like you. And from Sahil himself on how to better manage your money and make smarter financial decisions. Here's your host Sahil Vakil.

Sahil Vakil: Welcome, everyone. Welcome to the third episode of the MYRA Wealth Podcast. Our guest on today's podcast is Parisa Karaahmet. Parisa is a partner of Fragomen, Del Rey, Bernsen and Loewy, commonly known as Fragomen. She has been with Fragomen since July, 2000, or about 18 years, and leads a team specializing in individual complex and corporate immigrations matters.

Her areas of specialty include advising clients on the EB-5 Investor Visa Program, E-Verify, and I-9 compliance. On the corporate compliance advisory group side, Parisa represents a variety of large and mid-size and smaller companies in their immigration matters, including those in the financial services, medical, pharmaceutical, education, and technology sectors.

Parisa has presented at ACE University's Judicial Institute, guest lectured at Cardozo Law School, and speaks at national conferences. She chairs practicing law

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institutes annual conference defending removal proceedings, and co-chaired the America Bar Association's Immigration Litigation Committee.

Prior to Fragomen, Parisa served as an assistant district counsel and acting deputy district counsel for the Immigration and Naturalization Services, New York District Office. With that introduction, I hope you enjoy the MYRA Wealth episode with Parisa Karaahmet.

Welcome Parisa, welcome to the MYRA Wealth Podcast.

Parisa Karaahmet: Thank you, it's great to be here.

Sahil Vakil: So Parisa, we've provided a pretty robust introduction from a professional perspective. We all know who Parisa Karaahmet is from a Fragomen lens. However, on a personal side, Parisa, please tell us a little bit about yourself. Where are you from? Where's your family from? Anything that you would like to share.

Parisa Karaahmet: Sure. Well, you know, as you explained in your excellent description of my background, I am in fact, an immigration lawyer. My specialties include business immigration. That includes all facets of immigration, including EB-5 Investor Visas and corporate, as well as individual representation of clients. And so I think it's therefore, probably fitting that my background is also fairly diverse.

I'm an immigrant myself. My children are first generation Americans, but certainly I am not. I was born in Iran. My father was a diplomat with the Iranian government, the former Shah's government actually, and that's how we ended up in Washington, D.C. as part of his posting.

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I became an American citizen late in life. I was in my early 20's. I experienced all the joys of trying to get Visas to various countries and the difficulty in traveling on a passport that was not a European or U.S./Canadian passport, so I can certainly sympathize with my clients who are often in similar situations of having to go through an immigration process, because I went through one fairly late in life. Certainly not in childhood.

So, we moved to the U.S. when I was just a child, but again, we moved as diplomats, and so our stay here was always viewed as temporary. We remained in the U.S. after the 1979 Irani Revolution. I was very young at that point, and for a variety of reasons, we didn't actually get permanent resident status until I was in high school. And then again, became a citizen, as I mentioned, in my early 20's, which was a great accomplishment in terms of being able to open doors that had previously not been available to me. Including allowing me to work at the State Department, eventually work at the Justice Department, and then of course, have that coveted blue cover passport so that I didn't need Visas anymore, at least to most places.

Sahil Vakil: That's a fantastic journey. And Parisa, if you don't mind just sharing, when you did apply for your Green Card or your citizenship, what is the process for you like? Did you go through a family sponsorship? Was it like an EB-1 or an EB-5? How did you get your Green Card and then eventually, your citizenship?

Parisa Karaahmet: Well, you know, the obvious path to permanent residence at the time that most diplomats were taking ... My father's peers was through the Asylum process, and

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we were granted asylum by the State Department. We were not able to go back to Iran. It was readily apparent. I don't think it was a particularly difficult filing. It was a difficult time, I think, for my family and for my parents in particular. The realization that their country had been lost, effectively, and they had to remain abroad with little opportunity or likelihood of returning.

But we were fortunate because we knew of many relatives and friends who actually had to flee Iran through various means to get to a safe haven. And we were already in one. So I think we were very fortunate where that's concerned. So I was quite young, so I can't say I recall a lot of detail. I do recall the uncertainty in our home in terms of what would happen. The fact that my father no longer had his job. And what was going to happen from here on out?

I suppose we were very lucky because my father was a businessman by background. A PhD, his expertise was in finance and economics. He went on to found a very successful business, and so he was able to pursue a second career, so to speak, outside of politics and diplomacy. So that's sort of my childhood memory as it relates to the revolution, receiving permanent residence.

And then some years later, my earlier years in college, I decided I'd better apply for a U.S. passport because I needed to be able to travel freely. And I wanted to apply for jobs that were not available to me as a Green Card holder. And those are primarily jobs that require security clearance. And having decided that I would be going to law school, I thought it was very important to be able to open up as many possibilities in terms of employment as

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possible, particularly with the federal government. So I applied for it, became a U.S. citizen. That was a great occasion for me.

And then, very shortly thereafter, I was hired as a law clerk at the State Department, International Investment Disputes Division, working on Iraq claim reparations. And had I not had a security clearance and been able to naturalize, I would not have had that opportunity. So that was my first really good use of my new status as an American in my 20's.

Sahil Vakil: Right, absolutely. I think that's some fantastic insights over there. I think a couple of pieces that you mentioned, so one, you mentioned you had limited kind of childhood memories as it relates to the change of your immigration status. But did you have any childhood memories as it related to money? You know, back in the day, either back in Iran or when you first moved to the United States. Were you even aware of the financial system here? How did you educate yourself on basic personal finance matters? And how did you just navigate that system?

Parisa Karaahmet: Well, it's interesting because I was very in tune to money as a kid. Primarily because I wanted to make money. My parents were very careful with money. They were not overly generous, like, I saw a lot of our peers, you know, and other family friends. And I really respect that, and I think that was the right way to raise us. I have a twin sister, and so she and I were constantly looking for ways to make money. We were in a babysitting business. We had a business in the neighborhood where we raked leaves and did, we took care of animals when neighbors were away. And we lived in a nice neighborhood. It was a

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very affluent neighborhood, and there was lots of stuff to do if you were willing, you know, 12 year old who had their own business.

And so, we were very in tune to the idea of how to make money and save money, and the idea of discretionary spending. I will also relate something which I was very acutely aware of when I was a kid. I remember we used to go buy things. My father would hand over this card, and then suddenly the price would come down. No matter where we were, we would end up by not paying something. And I asked him later, "What is that card?" And he said, "It's a tax exempt card."

So one of the things I remember after the revolution is going to the store, and my dad didn't have that card. I'm like, "What happened to our card? Our discount card?" He's like, "Well, we're just like everybody else now." And so, I do remember that because we obviously lost that tax exempt status when we became sort of more settled U.S. residents. But you know what, it was worth it.

Sahil Vakil: That's an amazing story. So actually, tell us a little bit more about that tax exempt card. Is that what it was known as? I mean, I've actually never heard of this myself. And was it literally like a credit card or a debit card? What was it? Or was it like an I.D. that you would just present at a store, and you wouldn't have to pay a sales tax? Or what was it?

Parisa Karaahmet: Yes, that's exactly what it was. And you know, I don't know, and I doubt that currently, diplomats have that opportunity. But back in the '70's, that that was fairly standard was my understanding. Or that seemed to be what my family were able to do. It was more, I guess, an

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I.D. card. And we, of course, lost that tax exempt status when we lost, when my father was no longer was a diplomat or lost his job. But that was one of the things I remember asking my father about. And you know, what does this mean or, "What does it mean, and how come we don't have to pay taxes? And what are taxes?"

So those are questions I did ask my family about when we were younger. But then, once we became sort of like everybody else more and more settled into being permanently resided in the U.S., my parents kind of made clear to us that they'd give us an allowance. I could tell you how much it was. It's shockingly low by current standards. I think it was two dollars a week each. Enough to buy, like, candy bar snack, a soda, or something. But my parents by design were giving us a message that if we wanted to buy things that, unless they said it was okay, we had to find other ways to do it.

And so on the weekends, we basically worked. So I've been working since I was 12. You know, just a few hours here and there. We loved it. We had fun. We ran our own business. I feel like it made me independent. When I look at my own kids, who are 12 and 15, and you know, accomplished 12 and 15-year-olds academically, I don't think they know the first thing about any of that. So I probably need to spend some time talking to them about financial independence and what it means to make money and spend it and save it. And not save it.

I mean, I blew plenty of money at times on things that were frivolous and stupid. But you don't learn from those opportunities until you're able to take them and make those mistakes. So I think every parent has to sort of pass

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that onto their child and let them make those kind of decisions on their own. This is a sort of a different generation we're in now, where I don't think kids are as independent as, maybe, I was at the time. But that's sort of how things worked for us.

Sahil Vakil: Right, absolutely. So it sounds like your parents were a strong foundational element in helping you develop some of your personal finance behaviors, or even kind of, skills in that sense. But what do you wish more international and multicultural individuals knew about managing their personal finances when they first move to the United States? Outside of their parents, what else do you wish there was that help them kind of just navigate this complex environment?

Parisa Karaahmet: I think a lot had to do with the fact that my father was a self made person. And he had to, he was able to go to school on scholarships and other things. And he wanted to impart that on my sister and I and give us a sense of accomplishment and needing to work and earn things because that was his experience. I think that's pretty common in the immigrant context. I do think, though, that there's a danger. I see it with successful immigrant families where the generation that had to work hard to be successful understands the value of that. But then, the next generation maybe doesn't as much because they haven't had to struggle through any of those things. They sort of grow up as the American generation, and they take a lot more things for granted.

I'm speaking really, of my kids' generation. So I think you have to kind of continue to impart those values. I made my kids open bank accounts. I don't know what they're

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saving their money for, but just to get used to the idea of saving money is a good idea. I had a bank account when I was 10, and I wanted a place to put the money that I was making, even though it wasn't very much money.

And my parents were very good about not telling us what to spend it on. It was really up to us, but the idea was that we're not going to give you 10 to 20 dollars to go and buy frivolous stuff. You're gonna have to do that on your own. So I think those lessons, if we can be, if immigrant families can make sure that they trickle them down to not just their next generation, but the generation after that, I think there are valuable lessons to learn.

Sahil Vakil:

Great, that's some fantastic insight. And I think there is a huge cultural nuance to that, as well, which I think a lot of immigrant families do carry with them. Typically, they save a lot more than the average American family. They also don't have this concept of debt, so I think those values, especially, as they get imparted across generations, will help from a financial planning perspective.

So Parisa, I'm gonna switch topics a little bit here. Tell me, how did this highly successful babysitting business individual, raking leaves to make some money, become highly successful immigration attorney? What was that journey like? And how do you define success? Are you successful? Do you feel like you're successful today?

Parisa Karaahmet:

Oh, I know I am successful. I mean, today, and I'm grateful for it. Some of it is a little bit of luck, always helps. A little bit of making the right decision, even though you're not a hundred percent sure that is the right decision at the time, you have to take risks. They have to be measured

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risks, and sometimes you need to step outside your comfort zone.

I can give you some ideas of where that may have happened with me. But I think the common theme is, you have to always really try and be your best. I think knowledge and expertise and being smart and academically successful, that's very important, but that's not the full story. And I think what distinguishes the successes on paper from the successes in real life are the people who are able to communicate properly and effectively, and you know, and really have a good human relationship component to earn a client's trust. And sort of have a bigger picture, common sense way of dealing with situations.

So I think, I'd like to think that I was ... I've been particular effective on the communications and earning trust, and trying hard and making sure that I'm committed to whatever task I've given, and that, I think, matters a lot. When I interviews candidates for positions here at the firm, that's what I look for. Can they talk to clients? Can they communicate properly? Do they have a good understanding, realistic sense as to what's going on around them? Are they a team player? Are they going to try their hardest to help this business become a success and not just themselves?

If they understand the big picture, we can teach them a lot of the smaller stuff. That's sort of how I look at a measure of success. In terms of my own story, I went from, I was recruited, let's say, by the other side, so I came out of law school. I went to work for a small immigration firm. It was hard work. It was grunt work. Mostly in court a lot on, you

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know, not always strong deportation cases, but I did the best I could for the client. And I think the clients appreciate that.

And one day, I was approached by the lawyer for the Justice Department on the other side who was, I thought, my nemesis and my enemy, because she was just so mean to me all the time in court. But she, much to my surprise, she said to me, "Hey ... ". You know she was always very abrupt, to the point. She said, "There's a position open in my office. So why don't you give me your resume, and I will hand it over," in her usual gruff way.

And I thought, "What? Did she confuse me with somebody else? I thought she hated me." So I said, "That'd be great, thank you so much." And I passed her my resume. And I didn't take that position, although I was offered it. I decided to take a position with another field office that was in New York, because I wanted to be in New York. But she opened that opportunity up. And I think that the lesson there, looking back, is I tried my hardest. I represented the client zealously and to the best of my abilities within the parameters of my ethical duties, of course. And even though I thought this person was really my adversary, they saw that and they approached me and said, "Let me ... This is somebody I'd want to work with in my own office."

Which, you know, it's always good to do your best and put your best foot forward because you never know where it may take you. So that took me to New York to what was then the Immigration Naturalization Service. And then from there, I made a decision, really, to go into private practice. And I decided to go with a firm that had a

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reputation, this firm, for working it's lawyers very hard. I knew that it was going to be a harder sort of life. I really enjoyed my time in the government, but I felt like I needed to do something different or more, learn a little bit more. Maybe learn a new area of law, which was business/corporate law.

You know, I had folks telling me, "Well, that's a tough ... You sure you want to do that? Go into private practice at a firm, a big firm like that where you'll be working long hours, and you're just about to get married, and you're gonna want to start a family." Sometimes you can't manage your timing on top of everything else, and so an opportunity presented itself. I took it. This firm took a chance on me because I had no business corporate immigration experience, but they liked the other things that they saw in the interview process. And they gave me an opportunity, and I took it.

So that's about taking chances, and sometimes making calculated risks and not being afraid to work a little harder to see if something works out for you. And that was probably, my best move, is to come to this firm.

Sahil Vakil: That's amazing. So it sounds like you had a couple of pivotal moments and some really challenging decisions to make. And eventually, it sounds like you made the right ones because you are in a fantastic position today. Do you feel just comparing, kind of your generation with previous generations, the definition of success may have changed over the years? Do you still feel like it is consistent across the different generations? Just give us your thoughts on that.

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Parisa Karaahmet: Yeah, I do. I think success today is probably a little bit too narrowly defined as being money. Financial success as opposed to success in terms of intellectual achievement or accomplishment, or being content or happy. You know, I would want my kids to be successful, or I would define success not just by money and comfort, but also, are they happy? Are they doing the best thing that they can do? Is this living up to the promise and the best of their abilities or the best of their skill sets? Or whatever else may be out there. So that's how I define success.

Also, you know, you can be successful in one thing and maybe not something else. Or you can go into a field, like, generally is very competitive and still be able to be very accomplished. So success doesn't have to be the top one to two percent. I think it's all relative. And maybe we sometimes lose sight of that, and to us, success is just how much money do you make.

Sahil Vakil: Absolutely. So clearly, I mean, the definition of success for you does not include money. I mean, it's more as you mentioned, the intellectual piece or ...

Parisa Karaahmet: Well, it includes money. It includes money, but it's just a component. It should be a component and not the only arbitrator of success.

Sahil Vakil: Got it, that makes sense. So it's basically one of the several factors that you consider in defining success, but it's not the main factor or the factor that at least, in today's day and age or media, you know, success is more defined as status, position, and money. And it sounds like you're saying it's a much smaller component. There is the individual internal satisfaction, the intellectual kind of

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happiness or ability. And just being your best you, right? I mean, that's what you're saying, is be the best you. You don't have to be in the top one or two percent, just be the best you.

Parisa Karaahmet: Yeah, and I'm not suggesting, I don't subscribe to the idea that everyone's a winner and every kid gets a trophy. But it doesn't have to be that the only person that's "a winner," is the one that ended up with the most gold coins in their cup, either. I think there's something in between.

Sahil Vakil: Fair enough. So in that case, then, you know, since money's obviously not the biggest defining factor of success for you, what is the one most important thing that money gives you today then?

Parisa Karaahmet: Well, I think money gives you, depending on who you are, it gives you the flexibility or access that you may need, to be able to try things or do things that you otherwise wouldn't be able to do. And I think that also translates down to your family. You can support ... You know, I can support endeavors and things like my kids want to do, would like to try because of financial success. That's just the reality, right?

But you can also, it's not just about your family. You can make a difference and support a cause you care deeply about because of financial success. You can also go out and volunteer and give your time and energy as opposed to anything else. You know, it doesn't have to be monetarily driven. Financial success or empowerment does allow you to have an open field to do things that you otherwise may not be able to do. Just practically

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speaking, you don't have the time, you don't have the ability. So that's, you know, that's how I view it.

Sahil Vakil:

I think that makes complete sense. And we're seeing this more and more. We're seeing generations now these days, pretty much individual like yourself are defining success or on the experiential or non monetary, non material aspects, and in how they live their life. They make the most of the time on this earth, and you know, on those aspects versus measuring it from a sole monetary or material perspective as previous generations did. And I think that's kind of a broad shift that we've been seeing, even on our side here.

So let me ask you a fun question, right? So you know, if today you had an unlimited amount of money, unlimited, you know, let yourself loose over here, what would you do differently in your life?

Parisa Karaahmet:

What would I do differently? Maybe I would have taken a little time off between college and law school, or law school and the real world. I might have done that. You know, simply because I was always, I felt I was driven in a certain direction. I had to go there, and the faster I could get there, the better. Primarily because I wanted to be out there earning money. And I didn't have loans. You know, I was fortunate that my parents felt education was one thing they would pay unlimited amounts of money for. Not a handbag or anything else, but definitely, education.

But I just was so desperate to get into the work force and just have independence and earn my own money, and really, have a salary. But I never really paused, and I was just 17 as a freshman in college. And I was 21 as a law school graduate. And I certainly would have had the time

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to do that. And I wish I had. But for me, I think the money was the driver, you know, not to sort of pause and have some life experiences.

Sahil Vakil: Right, there's a saying, right? Pause and smell the roses. Okay, fantastic. Okay, so we're gonna take a slight kind of jump now, moving away from your professional side, more onto the personal finance space. What personal finance topics that you're curious about today?

Parisa Karaahmet: Well, that's a hard question for me to answer. As a lawyer, I try to stay away from personal finance. And so as an immigration lawyer, but I think I probably, I have a lot of questions around the stock market, around the best long term investment options. Am I doing the right thing? Am I making the right decisions? Is this the best long term option for me? What if I live longer? What if my kids need something?

These are the things that sometimes I think about, and I realize my parents at my age probably were thinking a lot about. So I don't know if that answers your question.

Sahil Vakil: So here at MYRA Wealth, generally, we take a hybrid approach. It basically takes a goal-based approach, as well as a risk-based approach into consideration. What I mean by that is, from a goal-based perspective, we'll first meet with our clients and we'll try to understand what are their short term, mid term, and long term goals? I mean, in a sense, from that perspective, we put our clients in the center and we try to understand what their upcoming and future needs might be.

We take, typically, these goals that might be qualitative in nature, and then try to convert them into a quantitative

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factor. We try to assign dollars to them, timelines to them, as well as expected rate of return. So that kind of gives us ... You know, we take this very qualitative goal that a client has, and we try to convert it into a quantitative goal that we can track on an ongoing basis.

The second piece is the risk-based piece. So, here, we typically have our clients conduct a risk assessment. And on a scale of zero to a hundred, we try to identify where their risks might lie. So a hundred being the most risky, zero being the least risky. So if someone basically comes up as a hundred, we know we want to invest them in more risky stocks or investments like maybe a Tesla stock or Twitter stock, or whatever it may be. If someone comes up to be much lower on the risk scale, closer to like, a zero, we know that they're more comfortable with cash.

I mean, to give you more perspective, right? Someone with a 70 risk is as good as investing them in the S&P 500. And someone with an 80 risk on a scale of hundred is closer to a Dow Jones Industrial Average. So typically, again, we try to measure the individual's risk number that comes up on a scale of zero to hundred with their investments, but I mean, that doesn't mean that we just do it on an overall basis. I mean, we do it based on the different assets that they might have.

So as an example, a retirement account which has a much longer time horizon, you know, we typically would go a little more risky. So say if the person's a 70 risk overall, you might put their retirement accounts in maybe an 80 or a 90 or 95 risk. But if they have a separate kind of fund they're saving to buy a home in the next three to

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six months, maybe we put that in a much lower risk kind of portfolio, just so that they balance out and they still come to the 70, which is the individual's risk number. But at the same time, the individual investment components are weighted differently.

And just in terms of kind of, you know, your question around making some right investment options, I mean, we here at MYRA Wealth typically follow a broad market each year of diversified long term strategy. So some of the ETF's that we typically recommended to get a diversified portfolio, so consider an individual maybe, you know, age 40. First we would have come, we've been saying these days is 125 minus your age should be the percentage of your equity allocations. So if you're 40 years old, 125 minus 40 is 85. Eight five percent of your assets should be in equity, and 15 percent should be in fixed income or bonds.

Now, obviously, when I say 85 percent equity, it includes in stocks and you know, and real estate and your ordinates, and pretty much anything that's slightly high risk asset versus a bond or a cash instrument in that sense. And you know, in terms of like, some certain ETF's that we recommend in the past, I mean, the six or eight that come to mind have been SETM, which is the total stock market ETF. It's the small cap value ETF. The SVBW, which is the world stocks or XUS, world stocks ETF, SBEM, which is the emerging markets ETF. GWX which is international small cap. RWO which is your global real estate. NUB which is your national mini bonds, long term national mini bonds. And then SUB which is your short term national mini bonds.

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I mean, typically, investing in this portfolio based on your age and your needs in different percentages could be a good value proposition. Oh, absolutely, and also you mentioned, you know, you have kids that are aged 12 and 15, so I'm assuming you're also looking into the New York 529 plans, given that you live in New York and other savings instruments as well.

Parisa Karaahmet: Mm-hmm (affirmative), absolutely. I mean, I think that's something that we've been doing for a long time. And that makes perfect sense to me. And I've tried to encouraged other people, irrespective of how much money you make, it's just a no brainer if you have an opportunity to set aside a little bit of money per paycheck to help fund or finance your child's college education, do it. It's just getting more and more costly. And so that's absolutely something that I would endorse and encourage everyone to do, if they're not already, who have kids.

Sahil Vakil: So for the benefit of our listeners, there are primarily three ways to save for your child's education. One is through a 529 savings plan. Two is through a Coverdell ESA. Three is through a UGNA/UTMA account. So just quickly going through these without going into too much detail, a 529, I mean, plan, these are great college savings instruments. The contributions into this plan are made, and these contributions grow tax deferred, and withdrawals from for qualified education expenses are typically tax free.

In addition, even though 529 plans do not have any federal tax deductions, some states like New York State allow you to take a deduction of about 10 thousand dollars if you're married, or five thousand dollars if you're

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single from your New York State taxable income. So that's pretty lucrative in that sense.

Just quickly, pros, I mean, there are no income phase outs. When you contribute into a 529 plan, so anyone at any income level can contribute into them. Just keep in mind, you as a parent are the owner. The child is the beneficiary, so this account is excluded from the child's portfolio when calculating financial aid eligibility.

Also to a benefit is parents can change the beneficiary at any time. So if you have two kids and one decides not to go to school, or gets a scholarship, even better, you can always change the beneficiary. And you can even change the beneficiary to yourself.

Just a con of the 529 plan is the funds are restricted for higher education expenses, so if you don't use the money or you don't withdraw the money to pay for education, and you withdraw for other purposes, then there's a 10 percent penalty on non qualified withdrawals.

So the second plan that I mentioned was the Coverdell ESA. The Coverdell ESA, or the Coverdell Education Savings Account, this is a custodial account. It's basically, in the name of your child. And when your child's a minor. And as soon as they reach the age of 18 years, pretty much the Coverdell becomes theirs. I mean, it's ... You can use it for to pay for qualified education expenses. I mean, a pro of the Coverdell ESA is that it can be used to pay for K-12 tuition as well, in addition to higher education expenses. However, just similar to a 529 plan, there is a 10 percent penalty if the funds are used towards non education, non qualified expenses.

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And just keep in mind, another restriction on the Coverdell ESA is that there are interim phase outs. So if you make, I think it is now, 220 thousand dollars or more as a married couple, or more than a hundred thousand dollars if you are single, you are unable to contribute to this plan.

The other kind of restriction on this account is that your contributions are limited to two thousand dollars per year, versus a 529 plan where you can make an unlimited amount of contributions. But typically, people don't make more than 15 thousand dollars of contribution, because above 15 thousand dollars per beneficiary, you will fall into gift tax and concerns.

The third account that I will quickly mention was the UTMA or the UGMA. So technically, this is not an education savings vehicle. It is more an of, you know, custodial account that you set up on behalf of your child. And you contribute into this similar to a 529 plan, but just note that amounts, again, above 15 thousand dollars will incur federal gift tax.

So just a couple of points here I want to make for the UTMA/UGMA, so the assets here are held in your child's name. And the contributions to this account are irrevocable. So once you make these contributions, you can't change the beneficiary like you can in a 529 plan. Also, upon reaching 18 years of age, the beneficiary owns the assets. And these assets don't have to be used for education only. I mean, it can be used in any manner that the child pleases. So keep that in mind, as well.

And then finally, you know, the account is the child's assets, so they might be some impact on financial aid eligibility in the future. There's a couple more things I'm

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trying to think of that we could probably mention here. Again, you can't change beneficiaries. The contributions to this account are non tax deductible. Like in a 529 plan, the first 10 thousand of dollars if you're married can be state tax deductible. Here, there's no tax deduction. And then, earnings are gonna be subject to federal income or capital gains tax. So we'll just leave it at that. High level, low of these different educations savings vehicles.

We've been getting a lot of questions from a curiosity perspective on the EB-5 Investor Program these days. I mean, we're in 2019, and given the change in immigration laws and how long it just takes for individuals to now move through the immigration channels and get a Green Card, especially for individuals from like, India and China, we're seeing a lot of interest on the EB-5 Investor Program. And that kind of is a pretty strong mix of personal finance and immigration. So have you also seen that, both on your personal or professional side? Like, are family members or friends asking you? Or even on the professional side, clients inquiring more about the EB-5. And if so, can you just give us a quick overview of what that is?

Parisa Karaahmet: So, the EB-5 at it's principal core is really an investment program for individuals seeking Green Cards. Effectively, a foreign investor either spends 500 thousand if the investment is made in a targeted employment area, or one million dollars on a commercial investment, and must show that their money has been used to create at least 10 U.S. jobs.

If that's the case, then they can apply for permanent residence for themselves and their family members,

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meaning spouse and children under 21 to be able to immigrate to the U.S. We've seen a huge uptake in interest in this particular program. I think it's largely ... well, it's due to a number of reasons. Not the least of which is the uncertainty or instability in certain emerging markets. A family member wants to lay down roots in the United States, which has always been viewed as a more generally stable economy and political system. And/or the desire to use this program while it's still available, because the program is under Congressional review, and at some point, these investment amounts will be raised significantly, and/or the parameters of the program will be changed.

And this is well know, so although the program has always been relatively popular, I think it's been even more popular in the last couple of years. And then finally, certainly with Indian nationals in particular, you know, getting a Green Card through employment, which is, I think, the most common way that Indian high skilled workers would apply for permanent residence has become so extensive and lengthy in terms of wait times that EB-5 presents a quicker time frame overall. And that's why I think it's of great interest in particular to Indian nationals right now.

Sahil Vakil: Great, thank you for sharing. And for our audience listening to this show, we will mention Parisa's contact information in our show notes, if you do want to reach out to her for any EB-5 related questions. Just moving on, Parisa, so you know, going back to kind of the personal finance side of things. I mean, clearly as you mentioned, the EB-5 is a huge kind of financial decision for a lot of people. And when I ask some of my clients, they say it's

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been one of the best financial decisions they've made. Because they're putting their money to work for them to get an immigration status in place, or a Green Card in place.

In that same light, you know, what has been your best financial decision in the past? And on the flip end, what has been your worst financial decision in the past?

Parisa Karaahmet: Okay, I think the best financial decision without question, was buying my first apartment as opposed to renting. I did have a little bit of help from my father. I didn't have the down payment as a government worker, but my father sort of helped me do a quick calculation. This was my first, this was the job in New York I had mentioned earlier with the government. And he said, "You know, I think overall, it might be a lot cheaper to buy something in New York." This was, mind you, in the early 2000's, " ... than to rent something. Now let's try and find a way to do that."

And that first apartment allowed me to build equity and take that equity when I sold the apartment and put it towards my next one, which was a little bit bigger, and then the one after that. So I think the purchase of that first apartment was the best, I think, financial decision I made. And I say that because I had a choice at that point to take that money that was being given to me as a graduation gift and buy a car or take a very expensive vacation. Or use it as a down payment on a small, tiny, really, one bedroom. And I'm so glad I did the latter, because it just helped me in terms of forming a foundation for future purchases and be able to build equity all the way up to where I am now.

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Sahil Vakil: Very interesting thoughts over there, because the terms that you used were so interesting. When you spoke about the apartment, you said "investment." And when you spoke about that vacation or about the car, you said "spend." So the terms clearly, you know, were very interestingly used. And they obviously influenced your decision in that sense. Because one was an investment in your mind, versus the other ones were more spends. But please, go ahead. Tell us more about your worst financial decision.

Parisa Karaahmet: So I mean, I don't know that I can say that there's a financial decision that I've made that has been so costly I wish I had never done it. I can only say that I realized awhile ago that I'm not a very good stock picker. So you know, I have taken money, and I have looked at stocks. And I've made decisions based on what I really don't know. And some of that has been a massive failure, so to speak. So I stopped doing that. And instead, what I try and do is invest through an investment professional who really knows what they're doing.

So I can't point to any one decision I made that I think was a poor one. I can point to a series of smaller decisions that were relatively poor, one probably worse than the other. Particularly when the recession hit and then, I can say I probably learned from that and I leave the investing to professionals for the most part.

Sahil Vakil: Tell us a little bit more. I know you don't put money in a top and center, your definition of success has, doesn't have money in the top and center. Money obviously plays a role in your life, providing you with the flexibility, but it's not the most important thing. But if someone was to ask

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you, what is the happiest moment that money brings you or any story that you want to share in terms of where you've seen happiness from money, do you have an example or story of that?

Parisa Karaahmet: Well, I mean, I can say that having worked at the government, and before that, a small firm, I'd never really experienced the joy of a big raise, right? Because you don't get raises at the government really. You get adjustment of living increases. Nor do you get bonuses. So when I first came to this firm as a first year associate, I remember we'd had a big year. It was ... I'm dating myself now, but it was about the year 2000. And I was called into the senior partner's office and was told that I was doing a smashingly good job. Actually this was not even around the time of raises. It was just maybe three or four months in. And they were gonna adjust my salary upwards by a significant amount. And I was shell shocked that anyone was willing to do that, or they had even paid enough attention to be willing to do that.

And I was so excited. I mean, for me, it was a colossal amount of money. I mean, no one had ever told me that I was gonna get a raise, let alone of that nature. Now in retrospect, looking back, it's not that much. They gave me a market adjustment, which was bringing me up to where they believed I really was versus where they hired me into. Which was the right thing to do, but not so unusual. But anyway, I went running and I called everyone I knew. I called my mother. I called my father. I called my sister. I called my husband. I called friends. And then I realized that was kind of tacky, so I've never called anyone since, particularly since my mother ran around and told everyone, and I was a little bit humiliated.

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But anyways, though, maybe that's my worst financial decision, is to tell my mother. I think that's ... I'll never forget that. During my elation, and you know, even now it's really nice to have an unexpected conversation with someone, whether it's tied to compensation or not, but particularly when it's tied to compensation, when you're able to say to someone who wasn't expecting it, "You know what, you did a great job. And I'm gonna pay you X or give you a bonus as a result." I can relate something to you which I think was quite an amazing indication of, I think, where the thinking was post recession at this firm. You know, like many firms, we suffered a great deal, and we had to shed employees. We had layoffs in order to survive the recession, which took a real toll on law firms in general.

But one of the things that we had to do, in order to make sure that we could assure our fiscal health was, we made a decision that we had to cut salaries of corporate and senior attorneys and partners making a certain amount of money in order to make sure we could make our payroll and our other obligations. This was back in 2007. At the end of our year we wrote a check back to everyone whose salaries we had to cut. And nobody was expecting it. There was, I think, a great sense of joy, the idea of being repaid. I think everyone was very understanding of why and how, and people were losing jobs. And they understood. It was a way to be solvent and to stay, to ride out the recession.

I don't think anyone really expected to be repaid the money that they had lost for that prior year. So I think that's kind of an exciting thing, when you're not expecting it.

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Sahil Vakil: Absolutely, and that's the entire human side to finance, as well, right? I mean, you do make difficult decisions, but then at the same time, you also give back to people that helped you get there. So I think that was an amazing gesture by your firm, and I'm sure your employees appreciated that wonderful gift or that gesture that you presented to them.

Parisa Karaahmet: Yeah, I mean, as we're coming off, I hope a government shutdown, I think, is sort of timely just to add to that the reality that people do rely on their paychecks. And they make certain decisions and assumptions based on the fact that they believe they're getting paid a certain amount of money. So when that's suddenly removed from them for reasons that they cannot control, it can be quite devastating. So to be able to make someone whole is a very good thing. Just timely, I thought that story was somewhat timely with where we are right now, with hopefully an end to the government shutdown.

Sahil Vakil: Right, absolutely. So Parisa, just help us understand, talking about the government shutdown, does the USCIS arm also fall in that bracket? Or I mean, are we still processing ongoing Green Cards and Visa applications? Has all that also halted, and is it impacting immigration at a much broader scale?

Parisa Karaahmet: Well, there's certainly, there's some limited government programs that are tied to appropriations that have been suspended for the moment, including EB-5, although cases are still being accepted for processing. We assume that there's not much going on in terms of adjudications until the government is reopened. However, with that exception and perhaps, you know, one other

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program, the vast majority of USCIS's activities which includes adjudications, Green Card applications based on employment or family sponsorship are continuing to proceed. So 99 percent of USCIS, I think, is open for business because it's largely a fee-funded agency, as opposed to taxpayer funded.

Sahil Vakil: That's a very interesting delineation. That makes sense. Okay, I think we're drawing to a close on our podcast here. It's been very interesting to hear your story. Before I kind of let you go here, Parisa, a couple of questions on what the future looks like for you. So just, you know, professionally, you're extremely successful today, but if there were maybe three things you wanted to do in your lifetime or to be known for in your lifetime, what would those be?

Parisa Karaahmet: Well, I think I would love to set up at some point, a charitable foundation where I can use it to contribute to charities and causes that I believe in, which include education for women and girls in developing countries, pediatric cancer research, and a few other things. In order to do that, one needs time. One needs money. And one needs sort of the ability to sort of organize and motivate. But that's something I'd really like to do at some point. And I have contributed in many ways toward organizations that do those things. But I would like to do so in a more robust, formal way.

The other thing I'd love to do, and I know everybody says this, but I really mean it. I would love to travel the world. There was a family in my daughter's school that took a year and a half off to do just that. I'm so jealous of them. But they took their kids, their three kids out of school, and

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they traveled the world. And we would get post cards or holiday cards every now and then. And I would say, "Wow, that's amazing that those kids have had that experience." So I would love to do that, even if it's just for a summer.

And I guess the last thing I'd love to do, and I think everybody should really think about this, is have a second career. Completely unrelated to being a lawyer or the law. And I'm not quite sure yet what that could be. It could be anything, flower arranging, you know, running a restaurant, although I'm a terrible cook. But having a second career, I think, would be a great thing if I'm able to achieve it, in my life time. Because I've really spent a very long time as a lawyer, and enjoyed it, and been very successful. But I'd like to have an act two also.

Sahil Vakil: Absolutely, and Parisa, just knowing you for this short amount of time, your babysitting business might not be a bad one that you started off as a child.

Parisa Karaahmet: Technically my first career, but you know, it was short lived.

Sahil Vakil: Excellent. Okay, fantastic. I think just as we close, you know, if you were to leave our listeners with one final tip as it relates to managing, either their personal finances, or managing their immigration situation, what would that be?

Parisa Karaahmet: So, let's start with the immigration situation first. I can see this having lived through this, through immigration as an immigrant, as a government prosecutor representing the government, and then on the private sector side. Don't skimp out when it comes to immigration

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representation. And this is not at all self serving. You don't have to go to a firm like Fragomen, but just go to a competent, good firm. One that's a member of the American Immigration Lawyer's Association. Do your research, know who they are, and make sure they have a good reputation. It is just too important a process, and there are too many situations where people end up in a situation that they did not anticipate through no fault of their own, because they were misled or they had less than excellent representation. So that's the first thing.

In terms of finance, I would say, save at least half of what you make. If you have a windfall, put half of it away. Blow the other half, if you want to. But try and save a little bit of everything that you make. And I try and teach my kids that too, although they're hopeless right now.

Sahil Vakil: All right, fantastic. Thank you for sharing, Parisa. We really enjoyed this conversation with you. We hope to see you in the near future again.

Parisa Karaahmet: Great, thank you so much.

Thanks for listening to the Myra Wealth Podcast. Now it's your turn to better manage your money and make smarter financial decisions. Just remember, you're not in this alone. Myra Wealth is here to help. Visit us at MyraWealth.com to learn more. That's M-y-r-a-Wealth.com and get started today.