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Treasury's Latest Moves: Fast-Track for Foreign Investors & Outbound AI Investment Inquiry

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The U.S. Department of the Treasury ("Treasury") has been active in the context of the Committee on Foreign Investment in the United States' ("CFIUS") and the Outbound Investment Security Program ("OISP"). The main updates relate to: (1) Treasury's announcement of an intent to launch a Fast Track Pilot Program under CFIUS for Foreign Investors; and (2) the review of Silicon Valley firm Benchmark Capital's investment in Manus AI, a Chinese-linked startup.

Fast Track Pilot Program

On May 8, 2025, Treasury announced its intent to establish a fast track process to facilitate greater investment in U.S. businesses from allies and partners, as outlined in the America First Investment Policy Memorandum issued early in the Trump Administration[1] pursuant to the Policy's objective of maintaining a strong, open investment environment for such parties.

A key feature of the envisioned fast track process involves the launch of a "Known investor portal" through which CFIUS will be able to collect information from foreign investors in advance of a filing. The Known investor portal can potentially be a useful tool for certain investors that either frequently file, or are competing for an opportunity and will benefit in a bid process from Known investor status. Through this approach, Treasury expects not only to maintain and enhance an open investment environment that benefits the U.S. economy, but also to ensure the Committee is able to identify and address any national security risks that may arise from such foreign investments.

The press release regarding Treasury's intent to launch the Fast Track Pilot Program for Foreign Investors can be accessed through the following link: https://home.treasury.gov/news/press-releases/sb0136.

Review of Benchmark Capital's Investment in Chinese Startup Manus AI

Treasury is also reviewing a $75 million investment made by Silicon Valley based Benchmark Capital ("Benchmark"), in Manus AI, a Chinese-linked startup ("Manus").

According to sources, Benchmark received an inquiry from Treasury on "whether its financial backing of Manus AI falls under new restrictions aimed at investments in artificial intelligence and other sensitive technologies destined for 'countries of concern'." [2] Such inquiry would come in the context of Treasury's enforcement of the OISP, under which U.S. entities must notify the Treasury of investments that could "accelerate and increase the success of the development of sensitive technologies" in ways that might harm U.S. interests[3].

Benchmark hasn't responded publicly with respect to the inquiry, but is expected to argue that notification is unnecessary based on legal advice it had received before investing in Manus.

The issues raised include: (i) whether Manus develops its own AI models (in which case it would be subject to the notification requirement) or if it builds products based on pre-existing models; and (ii) whether Manus can be deemed a Chinese-based company, considering its parent organization is incorporated in the Cayman Islands and the company employs staff in the U.S., Singapore, Japan and China, as well as stores data on cloud servers run by western firms. For many transactions, these and related questions can be difficult to answer, and we are guiding parties through strategies and practices for how to do so.

According to sources, the case highlights the growing tension between promoting technological innovation and protecting national security, and it could set an important precedent for future outbound investment strategies, reviews and national security policy as a whole.

The Proskauer Antitrust Team is closely monitoring the development of the Treasury's OISP and will continue publishing guidance and updates based on the Department's next steps.

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[1] For more information, see: Trump Administration issues America First Investment Policy – Insights – Proskauer Rose LLP. Accessed 6/3/2025.

[2] Cited from: Treasury Probes Benchmark's Investment in Chinese-Linked AI Startup Manus. Accessed 6/3/2025.

[3] For more information, see: U.S. Department of the Treasury issues final regulations implementing Executive Order 14105 Targeting Tech Investment in China – Insights – Proskauer Rose LLP. Accessed 6/3/2025.

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