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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

APR 15 2016

BY ANNE PERRY, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

THE PEOPLE OF THE STATE OF	)	CASE NO. CIVDS1512999
CALIFORNIA, by and through the)	
Commissioner of Business Oversight:	)	PROPOSED FINAL JUDGMENT OF
	)	PERMANENT INJUNCTION; RESTITUTION;
Plaintiff,	)	AND CIVIL PENALTIES AGAINST
	)	DEFENDANTS RENAISSANCE
v.	)	MANAGEMENT, LLC; SECURED CAPITAL
	)	INVESTMENTS, LLC; LOGOS REAL
PAUL R. MATA, an individual;	)	ESTATE HOLDINGS, LLC; LOGOS
RENAISSANCE MANAGEMENT, LLC, a	)	LIFETIME ENTERPRISES, LLC; LOGOS
Nevada limited liability company; SECURED	)	MANAGEMENT GROUP, LLC; LOGOS
CAPITAL INVESTMENTS, LLC, a Nevada	)	WEALTH ADVISORS, INC.; AND RELIEF
limited liability company; LOGOS REAL	)	DEFENDANT WORLD GARDENS CAFÉ,
ESTATE HOLDINGS, LLC, a California	)	LLC
limited liability company; LOGOS LIFETIME)	
ENTERPRISES, LLC, a California limited)	
liability company; LOGOS MANAGEMENT	)	ASSIGNED FOR ALL PURPOSES TO:
GROUP, LLC, a California limited liability	)	The Honorable David S. Cohn
company; LOGOS WEALTH ADVISORS,)	
INC., a California corporation, and DOES 1	)	Dept: S26
through 50, inclusive,)	
Defendants,)	
And)	
)	
DAVID FRANCIS KAYATTA, an individual;)	
MARIO PINCHEIRA, an individual; and)	
WORLD GARDENS CAFÉ, LLC, a California)	
limited liability company.)	
Relief Defendants.)	
)	

Plaintiff, the People of the State of California, by and through the Commissioner of Business

~~PROPOSED~~ FINAL JUDGMENT OF PERMANENT INJUNCTION; RESTITUTION; AND CIVIL PENALTIES AGAINST DEFENDANTS RENAISSANCE MANAGEMENT, LLC; SECURED CAPITAL INVESTMENTS, LLC; LOGOS REAL ESTATE HOLDINGS, LLC; LOGOS LIFETIME ENTERPRISES, LLC; LOGOS MANAGEMENT GROUP, LLC; LOGOS WEALTH ADVISORS, INC.; AND RELIEF DEFENDANT WORLD GARDENS CAFÉ, LLC

1 Oversight (“Plaintiff” or “Commissioner”) filed this action on September 9, 2015, pursuant to the
2 Corporate Securities Law of 1968, Corporations Code sections 25000 *et seq.* (“CSL”) against
3 Defendant Paul R. Mata (“Mata”); Defendant Renaissance Management, LLC (“Renaissance”);
4 Defendant Secured Capital Investments, LLC (“SCI”); Defendant Logos Real Estate Holdings, LLC
5 (“LREH”); Defendant Logos Lifetime Enterprises, LLC (“LLE”); Defendant Logos Management
6 Group, LLC (“LMG”); Defendant Logos Wealth Advisors, Inc. (“LWA”); Relief Defendant David
7 Francis Kayatta (“Kayatta”); Relief Defendant Mario Pincheira (“Pincheira”); and Relief Defendant
8 World Gardens Café, LLC (“WGC”) (collectively, “Defendants”); and on December 15, 2015,
9 obtained the issuance of the Order Issuing Preliminary Injunction against Defendants.

10 Renaissance, SCI, LREH, LLE, LMG, LWA, and WGC (collectively, “Entity Defendants”)
11 are in the possession and control of, and represented by, Permanent Receiver Robert P. Mosier
12 (“Receiver”), who was appointed pursuant to the Preliminary Injunction entered on October 8, 2015
13 in the matter of *Securities and Exchange Commission v. Paul Mata, et al., Case No. ED CV 15-01792*
14 *VAP* (“SEC Preliminary Injunction”) immediately authorizing him to, among other things, take
15 control of the property and assets of Entity Defendants with full power to sue, foreclose, marshal,
16 collect, and receive all such property of the Entity Defendants; and to make such payments and
17 disbursements from the funds and assets taken into custody, control, and possession or thereafter
18 received by him, and to incur, or authorize the making of, such agreements as may be necessary and
19 advisable in discharging his duties as Receiver.

20 Plaintiff’s Complaint alleges the following as to Entity Defendants:

- 21 1) At least 75 violations of Corporations Code section 25230, subdivision (a) (acting as
22 an unlicensed investment adviser, against Mata and LLE);
- 23 2) At least 75 violations of Corporations Code section 25235, subdivision (d) and
24 California Code of Regulations, title 10, section 260.235.4, subdivision (a)(2) (fraud by an
25 investment adviser by failing to disclose disciplinary events, against Mata and LWA);
- 26 3) At least one violation of Corporations Code section 25235, subdivision (d) and
27 California Code of Regulations, title 10, section 260.235, subdivision (a)(1) (fraud by an investment
28 adviser through testimonials, against Mata and LLE);

1 4) At least 100 violations of Corporations Code section 25401, subdivision (b) (the offer
2 or sale of securities by means of untrue statements and omissions of material facts, against Mata,
3 Renaissance, SCI, LMG, LREH, and LLE).

4 Furthermore, Plaintiff’s Complaint alleges that WGC was unjustly enriched by receiving
5 specific funds consisting of at least \$200,000.00 which are proceeds traceable to the unlawful
6 activities of the Defendants.

7 Plaintiff and the Receiver, on behalf of the Entity Defendants, have entered into the
8 Stipulation to Entry of Final Judgment of Permanent Injunction; Restitution; and Civil Penalties
9 Between Plaintiff and Defendants Renaissance Management, LLC; Secured Capital Investments,
10 LLC; Logos Real Estate Holdings, LLC; Logos Lifetime Enterprises, LLC; Logos Management
11 Group, LLC; Logos Wealth Advisors, Inc.; and Relief Defendant World Gardens Café, LLC
12 (“Stipulation”). Pursuant to the terms of the Stipulation:

13 1) Entity Defendants admit service of the Summons and the Complaint and jurisdiction
14 of this Court over them and over the subject matter of this action.

15 2) Entity Defendants read the Stipulation and this proposed Final Judgment of Permanent
16 Injunction; Restitution; and Civil Penalties Against Defendants Renaissance Management, LLC;
17 Secured Capital Investments, LLC; Logos Real Estate Holdings, LLC; Logos Lifetime Enterprises,
18 LLC; Logos Management Group, LLC; Logos Wealth Advisors, Inc.; and Relief Defendant World
19 Gardens Café, LLC (“Final Judgment”).

20 3) Entity Defendants entered into the Stipulation admitting each of the allegations
21 contained in the Complaint in lieu of filing an Answer to the Complaint.

22 4) Entity Defendants voluntarily consent to the entry by the Court of the Final Judgment.

23 5) Entity Defendants waive any trial or adjudication of any fact or law herein or the
24 taking of any proof and all rights to appeal the entry of the Final Judgment.

25 NOW, THEREFORE, GOOD CAUSE APPEARING, IT IS HEREBY ADJUDGED,
26 ORDERED AND DECREED THAT:

27 1. Entity Defendants shall be permanently enjoined from engaging in, committing, or
28 performing directly and/or indirectly or by means of substantially assisting others or as a control

1 person any person or business entity, the following:

2 a. Violating Corporations Code section 25230 by directly or indirectly acting as
3 investment advisers without a certificate from the Commissioner authorizing them to engage in the
4 business of an investment adviser;

5 b. Violating Corporations Code section 25235 by directly or indirectly engaging
6 in any act, practice, or course of business which was fraudulent, deceptive, or manipulative while
7 engaging in the business of an investment adviser; and

8 c. Violating Corporations Code section 25401 by directly or indirectly offering to
9 sell or selling any security of any kind, including but not limited to, the securities described in the
10 Complaint, by means of any written or oral communication, which contains any untrue statements of
11 any material fact or omits or fails to state any material fact necessary in order to make the statements
12 made, in the light of the circumstances under which they are made, not misleading.

13 2. The Court hereby enters a final judgment of restitution against Entity Defendants and
14 in favor of Plaintiff in the total amount of \$14,000,000.00. The liability for restitution shall be joint
15 and several as against the Entity Defendants, with interest thereon at the legal rate per annum until
16 said amount is paid in full, which is due and payable on the date of entry of the Final Judgment
17 subject to the terms and conditions in Paragraph 4 below. Plaintiff shall not assert a claim against the
18 receivership estate for restitution or any other amounts.

19 3. The Court hereby enters a final judgment of civil penalties against Entity Defendants
20 and in favor of Plaintiff in the total amount of \$6,275,000.00. The liability for civil penalties shall be
21 joint and several as against the Entity Defendants, with interest thereon at the legal rate per annum
22 until said amount is paid in full, which is due and payable on the date of entry of the Final Judgment
23 subject to the terms and conditions in Paragraph 4 below. Plaintiff shall not assert a claim against the
24 receivership estate for civil penalties.

25 4. With respect to the entry and satisfaction of the Final Judgment to be filed against
26 Entity Defendants the following terms and conditions apply:

27 a. Immediately upon execution of the Stipulation and continuing thereafter until
28 the Court in the matter of *Securities and Exchange Commission v. Paul Mata, et al., Case No. ED CV*

1 15-01792 VAP, issues an Order closing the receivership estate and discharging the Receiver, Entity
2 Defendants shall forfeit and assign to the Receiver all right, title and interest in and to the assets,
3 collateral, books, records, papers or other property in their custody, control, or possession, wherever
4 situated. The full value of these assets as determined by the Receiver pursuant to the SEC
5 Preliminary Injunction and subsequent Orders obtained by the Receiver in his administration of the
6 receivership estate shall apply to offset and satisfy the monetary portion of the Final Judgment owed
7 by Entity Defendants.

8 b. During the pendency of the receivership in which the Receiver shall administer
9 all of the property of the Entity Defendants and make distributions of receivership assets to investors,
10 the California Department of Business Oversight (“Department”) shall make no efforts to levy on or
11 seize any income or assets of Entity Defendants to satisfy the monetary portion of the Final
12 Judgment, and any efforts made by the Department to enforce the monetary portion of the Final
13 Judgment against Entity Defendants shall be done after issuance of the Order closing the receivership
14 estate and discharging the Receiver.

15 c. After issuance of the Order closing the receivership estate and discharging the
16 Receiver, any efforts made by the Department to levy on or seize any income or assets of Entity
17 Defendants shall be done pursuant to the usual rules and procedures for enforcing and collecting civil
18 judgments and Entity Defendants may assert the usual claims and defenses available to judgment
19 debtors.

20 d. During the pendency of the receivership, any payments made to satisfy the
21 monetary portion of the Final Judgment by Entity Defendants shall be made payable to the Receiver
22 in the administration of the receivership estate and shall be used to satisfy the restitution amount of
23 \$14,000,000.00 and the civil penalties in the amount of \$6,275,000.00, together with interest thereon
24 at the legal rate per annum until said amounts are paid in full.

25 e. After the issuance of the Order closing the receivership estate and discharging
26 the Receiver, any payments made to satisfy the restitution in the amount of \$14,000,000.00 or the
27 civil penalties in the amount of \$6,275,000.00, together with interest thereon at the legal rate per
28 annum until said amount is paid in full, shall be paid to the Department.

1 5. The Final Judgment may be entered by the Court at any time without further notice to
2 Entity Defendants or a hearing.

3 6. This Court shall retain jurisdiction of this action in order to implement and enforce the
4 terms of the Stipulation and entry of Final Judgment pursuant thereto, and to entertain any suitable
5 application or motion for additional relief or modification or any order made herein within the
6 jurisdiction of this Court.

7 IT IS SO ORDERED.

8 Dated: 4/15/16

THE HONORABLE DAVID S. COHN
JUDGE OF THE SUPERIOR COURT

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