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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Covenant Family Trust
5644 Westheimer Road #452
Houston, Texas 77056-4002

and

PO BOX 690327
Houston, Texas 77269

and

Lewis Stanley Scogin
153 Jacque Jim Drive
Huntsville, Alabama 35810

DESIST AND REFRAIN ORDER
(For violations of sections 25110, 25210 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Covenant Family Trust (“Covenant”) is a business located at 5644 Westheimer Road #452 Houston, Texas. During all relevant times, Covenant was not a registered broker-dealer.

2. Lewis Stanley Scogin (“Scogin”) is an individual who manages and raises money for Covenant. During all relevant times, Scogin was not a registered representative of any broker-dealer.

3. In or about June 2008, Covenant and Scogin offered and sold securities in the form of investment contracts that represented Joint Venture Business Agreements (“Agreement”) with California investors. The purpose of the offering was to raise capital for Winsome Investment Trust (“Winsome”) operated by Robert Andres which represented that Winsome “has knowledge of investment possibilities capable of exceeding normal investment returns . . .” The Agreement

1 claimed that investors would receive their entire principal back at the end of the term of the
2 Agreement as well as 8-10% per month for each month under the Agreement.

3 4. Covenant and Scogin offered and/or sold these securities in this state in issuer transactions.
4 The Department of Corporations has not issued a permit or other form of qualification authorizing
5 any person to offer or sell these securities in this state.

6 5. In connection with the offer and/or sale of these securities, Covenant and Scogin omitted to
7 state material facts. Investors were not told that the California Department of Corporations issued a
8 desist and refrain order on March 15, 2007 against Robert Andres, Winsome Investment Trust,
9 Winsome Investment Business Trust, and Warren Wai Hung Chiu for violating the California
10 Corporate Securities Law by offering and selling unqualified securities. The desist and refrain order
11 was not challenged and is final.

12 6. In connection with the offer and/or sale of these securities, Covenant and Scogin
13 misrepresented to investors that they would receive a return of 8-10% monthly on the investment.
14 Investors did not receive the promised return.

15 7. At all relevant times, Covenant and Scogin acted in the capacity of a securities broker-
16 dealer by effecting securities transactions by offering and selling investment contracts on behalf of
17 Winsome Investment Trust. The Agreement purported to provide Covenant and Scogin 2% net
18 proceeds of monthly profits.

19 8. The Department of Corporations has not issued Covenant or Scogin the certificate required
20 to induce the purchase or sale of securities or otherwise operate in the capacity of a securities broker-
21 dealer in the State of California at the time of the offer of the securities referred to above, nor was
22 Covenant and Scogin exempt from such licensing requirements at the time.

23
24 Based upon the foregoing findings, the California Corporations Commissioner is of the
25 opinion that the investment contracts offered and/or sold by Covenant Family Trust and Lewis
26 Stanley Scogin to California residents constitute securities, which are subject to qualification under
27 the California Corporate Securities Law of 1968, and that these securities have been and are being
28 offered without being qualified or exempt in violation of Corporations Code section 25110. Pursuant

1 to Corporations Code section 25532, Covenant Family Trust and Lewis Stanley Scogin are hereby
2 ordered to desist and refrain from the further offer or sale in the State of California of securities,
3 including investment contracts unless and until qualification has been made under the California
4 Corporate Securities Law or unless exempt.

5
6 Based on the foregoing findings, the California Corporations Commissioner is of the opinion
7 that the investment contracts offered and/or sold by Covenant Family Trust and Lewis Stanley Scogin
8 are securities subject to qualification under the California Corporations Code and were offered in this
9 state by means of written or oral communications that included untrue statements of material fact
10 and/or omitted to state material facts necessary in order to make the statements made, in the light of
11 the circumstances under which they were made, not misleading, in violation of section 25401 of the
12 California Corporations Code. Pursuant to Corporations Code section 25532, Covenant Family Trust
13 and Lewis Stanley Scogin are hereby further ordered to desist and refrain from the further offer or
14 sale in the State of California of securities, including investment contracts, by means of any written
15 or oral communication which includes untrue statements or omissions of material facts.

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17 Further, the California Corporations Commissioner is of the opinion that Covenant Family
18 Trust and Lewis Stanley Scogin induced the sale of securities in this state without having first applied
19 for and secured a license authorizing it or him to act in the capacity of a securities broker-dealer, in
20 violation of section 25210 of the Corporate Securities Law of 1968. Pursuant to Corporations Code
21 section 25532, Covenant Family Trust and Lewis Stanley Scogin are hereby ordered to desist and
22 refrain from effecting any transaction in, or attempting to induce the purchase or sale of, any security
23 in this state, unless and until it or he has applied for and secured from the Commissioner a certificate
24 authorizing it or him to act in that capacity or unless exempt.

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26 This Order is necessary, in the public interest, for the protection of investors and consistent
27 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.
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Dated: October 6, 2009
Sacramento, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division