

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

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TO: SumariaGlobal, LLC doing business as “Sumaria Global, LLC”
Premchand Shah
Kevin McCarthy
Matthew Thompson
550 South Hill Street, Suite 1354
Los Angeles, California 90013

2070 Business Center Drive
Irvine, California 92612

DESIST AND REFRAIN ORDER
(For violations of section 25110 and 25401 of the California Corporations Code)

The California Corporations Commissioner (“Commissioner”) finds that:

1. At all relevant times, SumariaGlobal, LLC doing business as “Sumaria Global, LLC” (hereafter “Sumaria Global”) is or was a California limited liability company formed in October 2008, with its reported principal place of business located at 550 South Hill Street, Suite 1354, Los Angeles, California, 90013.
2. At all relevant times, Premchand Shah (“Shah”) was the sole manager of record for Sumaria Global.
3. At all relevant times, Kevin McCarthy (“McCarthy”) was a sales agent for Sumaria Global.
4. At all relevant times, Matthew Thompson (“Thompson”) was a sales agent for Sumaria Global.
5. Beginning in or about January 2012, Sumaria Global offered or sold securities in the form of investment contracts in a “trust deed investment program” for the purported purpose of raising capital to purchase and resell distressed residential properties in California and Nevada.
6. Beginning in or about January 2012 through at least May 2012, Sumaria Global advertised an “arbitrage model” of trust deed investing on its public website located at www.sumariareturns.com.

1 The website reported the company's business address as 2070 Business Center Drive, Irvine,
2 California, 92612.

3 7. At all relevant times, the Sumaria Global website stated: "Sumaria Global will assist you in
4 exploiting the current fundamentals in the housing market by buying properties at discounts and then
5 simultaneously selling them off at or slightly below the current market value, and locking in a known
6 profit through this arbitrage...By connecting short term and long term investors together through our
7 trust deed network we have been able to provide high returns for short term investors and the cash
8 flow needed for long term investors." Prospective investors with as little as \$500 were invited to
9 submit online forms to request additional information.

10 8. Between the period of January 2012 and April 2012, Sumaria Global solicited investments
11 from residents of New Jersey, Wisconsin and other states through general solicitation conducted by
12 sales agents who identified themselves as "Kevin McCarthy" and "Matthew Thompson." The
13 recipients of the unsolicited emails and telephone calls placed by McCarthy and Thompson had no
14 prior relationship with Sumaria Global.

15 9. On or about January 16, 2012, McCarthy sent a New Jersey resident an unsolicited email that
16 described Sumaria Global's "money making short sale program" as "the goose that laid the golden
17 egg." McCarthy claimed that Sumaria Global had "done hundreds of these transactions" and that
18 money invested in the trust deed program would earn 30% per year. McCarthy attached to the email
19 self-directed IRA forms as well as an investment contract labeled "Letter of Intent" which specified
20 that 10% interest would be paid on the principal investment every 120 days through an escrow
21 account with Beverly Hills Escrow.

22 10. On or about April 10, 2012, Thompson cold-called a Wisconsin resident to solicit an
23 investment in Sumaria Global's trust deed program. Thompson represented that Sumaria Global has
24 a business relationship with several nationwide banks which allows it to "cherry pick" the finest
25 properties at 40% below market value and resell them in 120 days for 10% profit. Thompson stated
26 that there was "no risk" with this type of investment compared to investing in precious metals or the
27 stock market.

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1 11. On or about April 12, 2012, McCarthy sent a follow-up email to the same Wisconsin resident
2 stating, “We offer a simple, tried and tested wholesale to retail model of making significant but
3 secured profits based on an arbitrage model that we will explain further.” Attached to the email was
4 a list of approximately 100 investment properties located in California and Nevada along with a
5 promotional flyer promising that Sumaria Global’s trust deed investment program “will completely
6 double your money in less than three years.” The email also provided a written investment contract
7 labeled “Letter of Intent” which specified that 10% interest would be paid on the principal investment
8 every 120 days through an “escrow” account at Beach Business Bank.

9 12. These securities were offered and sold in this state in issuer transactions. The California
10 Department of Corporations has not issued a permit or other form of qualification authorizing any
11 person to offer or sell these securities in this state.

12 13. The offer and sale of investment contracts in Sumaria Global’s trust deed investment
13 program were effected by general solicitation through the Sumaria Global public website and by
14 cold-calling residents of New Jersey, Wisconsin and other states that Sumaria Global had no basis to
15 believe were either qualified or accredited investors.

16 14. In connection with the offer or sale of these securities, SumariaGlobal, LLC doing business as
17 “Sumaria Global, LLC,” Premchand Shah, Kevin McCarthy and Matthew Thompson made, or
18 caused to be made, misrepresentations of material fact or omitted to state material facts necessary in
19 order to make the statements made, in the light of the circumstances under which they were made, not
20 misleading. These misrepresentations and omissions included, but are not limited to:

21 a. Failing to disclose to investors that the non-qualified securities being offered in the form of
22 investment contracts in the Sumaria Global trust deed investment program are not exempt from
23 qualification, in violation of section 25110 of the California Corporate Securities Law of 1968;

24 b. Failing to disclose to investors that Sumaria Global was issued a Summary Order to Cease
25 and Desist by the Pennsylvania Securities Commission on February 7, 2012; and,

26 c. Misrepresenting that the trust deed investment program offered by Sumaria Global is based
27 on an “arbitrage” model that is “risk free.”
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Pursuant to section 25532 of the Corporate Securities Law of 1968, SumariaGlobal, LLC doing business as “Sumaria Global, LLC,” Premchand Shah, Kevin McCarthy and Matthew Thompson are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including but not limited to investment contracts in the Sumaria Global trust deed investment program, unless and until qualification has been made under said law or unless exempt. The offer and sale of such securities is subject to qualification under said law and such securities are being or have been offered for sale without first being so qualified.

Further, the California Corporations Commissioner is of the opinion that the securities offered by SumariaGlobal, LLC doing business as “Sumaria Global, LLC,” Premchand Shah, Kevin McCarthy and Matthew Thompson were offered in this state by means of written or oral communications that included untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

This order is necessary, in the public interest, for the protection of investors and consumers, and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

This order shall remain in full force and effect until further order of the California Corporations Commissioner.

Dated: May 21, 2012
Los Angeles, California

JAN LYNN OWEN
California Corporations Commissioner

By _____
ALAN WEINGER
Deputy Commissioner
Enforcement Division