

BEFORE THE  
STATE OF WISCONSIN  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF SECURITIES

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In the Matter of

PETITION FOR ORDER

SUMARIAGLOBAL, LLC,  
PREMCHAND H. SHAH, KEVIN  
McCARTHY and MATTHEW  
THOMPSON,

File No. S-225076(EX)

Respondents.

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The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“the Division”), has conducted an investigation in this matter pursuant to Wis. Stat. §551.602, and as a result thereof alleges as follows:

1. SumariaGlobal, LLC (“Sumaria”) is a California limited liability company organized on October 15, 2008 with a last known address of 515 South Flower Street, 36<sup>th</sup> Floor, Los Angeles, California 90017.
2. Premchand H. Shah (“Shah”) is an individual born in December 1957, who is an owner, manager and/or controlling person of Sumaria, whose last known business address is at Sumaria.
3. Kevin McCarthy (“McCarthy”) is an individual who is an agent of Sumaria and Shah, with a last known business address at Sumaria.
4. Matthew Thompson (“Thompson”) is an individual who is an agent of Sumaria and Shah, with a last known address at Sumaria.
5. During April 2012, acting on behalf of Sumaria and Shah, Thompson offered interests in the Sumaria deed of trust short sale investment scheme to a person in Wisconsin, using materials created by McCarthy.
6. According to the Sumaria offering materials created by McCarthy that Thompson sent to the person in Wisconsin, the scheme operated as follows: The investor funds are placed into escrow. The escrow company records the trust deed in the amount of the principal with 10% interest with the county clerk, then sends the trust deed to the investor and the funds are released. The materials state “That interest adds up to **30% per year**, secured and guaranteed.” (emphasis in original). In the Letter of Intent, investors commit to keep the funds invested for 12 months, with new trust deeds issued which include the additional interest, but they have the option to withdraw at 120 day intervals after that.
7. The Sumaria trust deed investment program is an investment contract, and therefore a security defined by Wis. Stat. § 551.102(28)(d).
8. The Sumaria investment contracts have never been registered for offer and sale in Wisconsin pursuant to Wis. Stats. Ch. 551.

9. All Respondents have violated Wis. Stat. § 551.301 by offering unregistered securities to at least one person in Wisconsin.
10. In connection with the offer of the securities described above, Thompson transacted business in Wisconsin as an "agent" for Sumaria and Shah, as that term is defined by Wis. Stat. § 551.102(2).
11. At no time has Thompson been registered as a securities agent pursuant to Wis. Stats. Ch. 551.
12. Thompson has violated Wis. Stat. § 551.402(1) by transacting business in Wisconsin as a securities agent without being registered.
13. Sumaria and Shah have violated Wis. Stat. § 551.402(4) by employing an unregistered agent to represent them in Wisconsin.
14. In connection with the offer of Sumaria investment contracts to the person in Wisconsin, all Respondents failed to disclose that the Pennsylvania Securities Commission issued a Cease and Desist Order against Sumaria on February 10, 2012.
15. By failing to disclose the Pennsylvania order, Respondents omitted to disclose a material fact necessary to make the statement made, in light of the circumstances under which they were made, not misleading, in violation of Wis. Stat. § 551.501(2).
16. Division staff requested specific information and documents from the Respondents about their securities-related transactions, but to date have received no response, despite the due date for the response having passed.

Therefore, the staff of the Division petitions the Administrator of the Division of Securities for the issuance of the attached Orders pursuant to Wis. Stats. Ch. 551.

Dated this 15<sup>th</sup> day of January, 2013.



Mark E. Dorman  
Examiner



Leslie M. Van Buskirk  
Attorney Supervisor