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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,  
  
vs.  
  
EDWARD CHEN, JEAN CHEN,  
HOME PARADISE INVESTMENT  
CENTER LLC, GH INVESTMENT  
LP, GH DESIGN GROUP, LLC,  
GOLDEN GALAXY LP, AND MEGA  
HOME, LLC,  
  
Defendants.

Case No. 2:17-cv-06929-PA-JEM  
  
**FINAL JUDGMENT AS TO  
DEFENDANTS GH INVESTMENT  
LP AND GH DESIGN GROUP, LLC**

1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendants GH Investment LP and GH Design Group LLC (“Defendants”) having  
3 entered a general appearance; consented to the Court’s jurisdiction over them and the  
4 subject matter of this action; consented to a judgment in this action permanently  
5 enjoining them from certain violations of the federal securities laws (*see* Dkt. Nos.  
6 112, 146), consented to entry of this Final Judgment, without admitting or denying  
7 the allegations of the Complaint (except as to jurisdiction); waived findings of fact  
8 and conclusions of law; and waived any right to appeal from this Final Judgment:

9 **I.**

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, that Defendants  
11 are permanently restrained and enjoined from, directly or indirectly, in the offer or  
12 sale of any securities, by the use of any means or instruments of transportation or  
13 communication in interstate commerce or by the use of the mails:

14 A. employing any device, scheme or artifice to defraud;

15 B. obtaining money or property by means of any untrue statement of a  
16 material fact or any omission to state a material fact necessary in order to  
17 make the statements made, in light of the circumstances under which  
18 they were made, not misleading; or

19 C. engaging in any transaction, practice, or course of business which  
20 operates or would operate as a fraud or deceit upon the purchaser;

21 in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as  
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
24 binds the following who receive actual notice of this Final Judgment by personal  
25 service or otherwise: (a) Defendants’ officers, agents, servants, employees, and  
26 attorneys; and (b) other persons in active concert or participation with Defendants or  
27 with anyone described in (a).

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1 **II.**

2 IT IS FURTHER ORDERED that Defendant GH Investment LP is  
3 permanently restrained and enjoined from, directly or indirectly, in connection with  
4 the purchase or sale of any security, by the use of any means or instrumentality of  
5 interstate commerce, or of the mails, or of any facility of any national securities  
6 exchange:

7 A. employing any device, scheme or artifice to defraud;

8 B. making any untrue statement of a material fact or omitting to state a  
9 material fact necessary in order to make the statements made, in light of  
10 the circumstances under which they were made, not misleading; or

11 B. engaging in any act, practice, or course of business which operates or  
12 would operate as a fraud or deceit upon any person;

13 in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-  
14 5() thereunder, 17 C.F.R. §§ 240.10b-5.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as  
16 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
17 binds the following who receive actual notice of this Final Judgment by personal  
18 service or otherwise: (a) Defendants' officers, agents, servants, employees, and  
19 attorneys; and (b) other persons in active concert or participation with Defendants or  
20 with anyone described in (a).

21 **III.**

22 IT IS FURTHER ORDERED that Defendant Design Group LLC is  
23 permanently restrained and enjoined from, directly or indirectly, in connection with  
24 the purchase or sale of any security, by the use of any means or instrumentality of  
25 interstate commerce, or of the mails, or of any facility of any national securities  
26 exchange:

27 A. employing any device, scheme or artifice to defraud; or

28 B. engaging in any act, practice, or course of business which operates or



1 and shall be accompanied by a letter identifying the case title, civil action number,  
2 and name of this Court; GH Investment LP and GH Design Group LLC as named  
3 defendants in this action; and specifying that payment is made pursuant to this Final  
4 Judgment.

5 Defendants shall simultaneously transmit photocopies of evidence of payment  
6 and case identifying information to the Commission's counsel in this action. By  
7 making this payment, Defendants relinquish all legal and equitable right, title, and  
8 interest in such funds and no part of the funds shall be returned to Defendants.

9 Defendants shall receive a credit towards payment of the disgorgement  
10 amount, on a per investor basis, if, upon the express written consent of the EB-5  
11 investor, such investor is willing to accept reimbursement in a form other than cash,  
12 and that satisfactory proof is submitted to both Mr. Mosier and to the SEC that such  
13 investor has, in fact, received assets that are equivalent in value to what such investor  
14 is otherwise owed to be made whole.

#### 15 V.

16 Robert Mosier, in his capacity as the Distribution Agent, shall hold the funds  
17 received from Defendants (collectively, the "Fund") and may propose a plan, after  
18 soliciting input from the EB-5 investors as to their preferences, to distribute the Fund,  
19 or portions thereof, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as  
20 amended, 15 U.S.C. § 1246(a), subject to the Court's approval, to, or for the benefit  
21 of, the EB-5 investors (which shall be in a form requested by the EB-5 investors  
22 which may include a continued investment in their pending EB-project or a rollover  
23 of their investment in an alternative EB-5 investment). The Court shall retain  
24 jurisdiction over the administration of any distribution of the Fund. If the  
25 Distribution Agent determines that there are monies in the Fund in excess of what is  
26 required to make investors whole, or there are funds remaining after distribution has  
27 taken place which cannot be distributed, the Distribution Agent shall send the funds  
28 paid pursuant to this Final Judgment to the Commission, which shall send the funds




1 IX.

2 There being no just reason for delay, pursuant to Rule 54(b) of the Federal  
3 Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and  
4 without further notice.

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6 IT IS SO ORDERED.

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8 Dated: November 19, 2018

  
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Percy Anderson  
UNITED STATES DISTRICT JUDGE

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12 Presented by:

13  
14 /s/ Donald W. Searles  
15 Donald W. Searles  
16 Attorney for Plaintiff  
17 Securities and Exchange Commission  
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