

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION**

**CASE NO.**

<b>SECURITIES AND EXCHANGE COMMISSION,</b>	)
	)
<b>Plaintiff,</b>	)
	)
<b>v.</b>	)
	)
<b>ERICK LASZLO MATHE and ASHIF JIWA,</b>	)
	)
<b>Defendants,</b>	)
<b>and</b>	)
	)
<b>BLUEMARK ASSET MANAGEMENT, LLC,</b>	)
	)
<b>Relief Defendant.</b>	)
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**COMPLAINT**

Plaintiff Securities and Exchange Commission alleges as follows:

**I. INTRODUCTION**

1. The Commission brings this action to enjoin Defendants Erick Laszlo Mathe and Ashif Jiwa from violating the antifraud and registration provisions of the federal securities laws in connection with their unregistered sale of securities of Vision Broadcast Network, Inc., a purported early-stage, operational start-up television network and production company. From no later than August 2007 through February 2010, Defendants raised approximately \$5.7 million from at least 100 investors nationwide through the sale of common stock and convertible debentures of Vision Broadcast.

2. In connection with the offer, purchase and sale of these securities, Defendants misrepresented nearly all aspects of Vision Broadcast's purported assets and operations.

Specifically, Defendants made material misstatements and omissions to investors about, among other things, Vision Broadcast's ownership and operation of low-power television stations and ownership of broadcast licenses to operate additional low-power television stations estimated to be worth hundreds of millions of dollars. Defendants also misrepresented Vision Broadcast's revenues, the use of investor proceeds, the payment of commissions, and commitments from institutional investors. Defendants even brazenly misrepresented that Michael Jordan, the former basketball star, intended to invest in the company.

3. Additionally, Defendants engaged in fraud involving improper payments by Vision Broadcast to several of their companies, including Relief Defendant Bluemark Asset Management, LLC. Over a two-year period, Vision Broadcast paid these companies hundreds of thousands of dollars in fees for purported professional and consulting services they did not provide to Vision Broadcast. Vision Broadcast also paid Defendants' personal expenses unrelated to the company's business.

4. As a result of the conduct alleged in this Complaint, Defendants violated Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c) and 77(q)(a); and Sections 10(b) and 15(a) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78j(b), 78o(a)(1), and 17 C.F.R. § 240.10b-5. In addition, Mathe aided and abetted Vision Broadcast's violations of Section 10(b) and Rule 10b-5(b) of the Exchange Act. Unless restrained and enjoined, Defendants are reasonably likely to continue to violate the federal securities laws.

5. The Commission therefore respectfully requests the Court enter: (i) a permanent injunction restraining and enjoining Defendants from violating the federal securities laws; (ii) an order directing Defendants to pay disgorgement with prejudgment interest; (iii) an order

directing Relief Defendant Bluemark to pay disgorgement with prejudgment interest; (iv) an order directing Defendants to pay civil money penalties; (v) an order imposing penny stock bars against Defendants; and (vi) an order imposing officer and director bars against Defendants.

**II. DEFENDANTS, RELIEF DEFENDANT AND RELATED ENTITIES**

**A. Defendants**

6. Mathe, age 42, is a resident of this District. During the relevant time period, Mathe was the chief executive officer and largest shareholder of Vision Broadcast. He has never been registered with the Commission or associated with a registered broker-dealer.

7. Jiwa, age 55, is a resident of this District. During the relevant time period, Jiwa worked for Vision Broadcast as a consultant. He has never been registered with the Commission or associated with a registered broker-dealer.

**B. Relief Defendant**

8. Bluemark is a Florida limited liability company with its principal place of business located in this District. Jiwa was the company's initial member and owner, and currently serves as its president and registered agent. Bluemark entered into a consulting agreement with Vision Broadcast in 2009 to, among other things, introduce prospective investors to the company. Jiwa operated Bluemark as his alter ego because he used the company for his own personal interest. Specifically, Jiwa, through Bluemark, received approximately \$361,000 in fees from Vision Broadcast for purported professional services that neither he nor Bluemark provided to Vision Broadcast. Furthermore, he repeatedly used company bank accounts to pay numerous personal expenses totaling tens of thousands of dollars.

**C. Related Entities**

9. Vision Broadcast is an inactive Florida corporation previously known as Wal-Con Media, formed by Mathe in 2006 with its principal place of business located in this District. Vision Broadcast was administratively dissolved in September 2010 for failure to file its annual report with the Florida Department of State. Vision Broadcast's stock was a penny stock as defined by the Exchange Act because it did not fit within any of the exceptions from the definition of penny stock established by Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. Among other things, the stock constituted equity securities: (i) that were not an "NMS stock," as defined in 17 CFR § 242.600(b)(47); (ii) traded below five dollars per share during the relevant time period; (iii) whose issuer had net tangible assets and average revenue below the thresholds of Rule 3a51-1(g); and (iv) did not meet any of the other exceptions from the definition of "penny stock" contained in Rule 3a51-1 under the Exchange Act.

10. The Diakonos Group, LLC is an inactive Florida limited liability formed in 2004, with its principal place of business located in this District. At one time, it shared the same business address as Vision Broadcast. During the relevant time period, Mathe served as Diakonos Group's director and managing member. The company was administratively dissolved in September 2010 for failure to file its annual report with the Florida Department of State. Mathe operated Diakonos Group as his alter ego because he used the company for his own personal interest. Specifically, he repeatedly used a company bank account to pay numerous personal expenses totaling tens of thousands of dollars. Furthermore, Mathe, through Diakonos Group, received approximately \$368,000 in fees from Vision Broadcast for purported consulting services that neither he nor Diakonos Group provided to Vision Broadcast.

11. Century Finance Management, LLC is an inactive Florida limited liability company formed in 2006, with its principal place of business located in this District. During the relevant time period, Jiwa served as Century Finance's owner and president. Jiwa voluntarily dissolved the company in July 2010. Jiwa operated Century Finance as his alter ego because he used the company for his own personal interest. Specifically, he repeatedly used a company bank account and credit cards to pay numerous personal expenses totaling tens of thousands of dollars. Furthermore, Jiwa, through Century Finance, received approximately \$459,000 in unlawful commissions and approximately \$162,000 in fees for purported consulting services that neither he nor Century Finance provided to Vision Broadcast.

### **III. JURISDICTION AND VENUE**

12. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d) and 77v(a); and Sections 21(d) and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d) and 78aa.

13. The Court has personal jurisdiction over Defendants, and venue is proper in the Southern District of Florida, because, among other things, Defendants offered or sold securities to investors in this District and because Defendants and Relief Defendant reside in this District.

14. In connection with the conduct alleged in this Complaint, Defendants, directly and indirectly, singly or in concert with others, have made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation or communication in interstate commerce, and of the mails.

**IV. DEFENDANTS' FRAUDULENT INVESTMENT SCHEME**

**A. Background**

15. From no later than August 2007 through February 2010, Defendants raised approximately \$5.7 million from at least 100 investors nationwide through the sale of securities of Vision Broadcast. Specifically, Defendants raised approximately \$4,700,000 through the sale of common stock and \$1,027,500 through the sale of convertible debentures. This offering of securities was not registered with the Commission.

16. In connection with the sale of securities of Vision Broadcast, Mathe created and gave to investors at least three Vision Broadcast offering documents: (i) a Five-Year Business Plan; (ii) an Executive Summary which contained substantially the same information as the Five-Year Business Plan; and (iii) a document called "Public Merger Investment Opportunity" offering convertible debentures. These materials described Vision Broadcast as an early-stage, operational "start-up" television network and production company, focused on the development, management and operation of internally owned and operated low-power community broadcast television ("LPTV") stations. These materials also represented, among other things, that Vision Broadcast had formulated two programming content solutions titled Ask the Specialist ("ATS"), an educational medical video program, and Naked Music TV ("NMTV"), a provider of on demand music videos. Moreover, the materials claimed Vision Broadcast owned or controlled federal licenses to build and operate nearly 70 additional broadcast television stations across the United States, and the corresponding television markets represented a potential broadcast coverage of more than 10 million households. As discussed in greater detail below, these representations were false and misleading.

17. Defendants actively solicited investors for Vision Broadcast. Before meeting Jiwa, however, Mathe already had been soliciting investments in the company. Jiwa persuaded Mathe that he could help Vision Broadcast raise additional investment funds because he had experience taking companies public, acted as a financial advisor to the Prince of Dubai, and operated a \$900 million hedge fund. Shortly thereafter, Mathe began paying Jiwa a ten percent commission on all money raised for Vision Broadcast regardless of Jiwa's involvement or participation in obtaining specific investment funds for the company. In little time, Mathe determined Jiwa was so vital to Vision Broadcast's fundraising efforts that he fired the company's chief financial officer after he began objecting to the large sums Vision Broadcast was paying Jiwa. Before Jiwa's involvement, Mathe was not collecting commissions from Vision Broadcast. However, not long after Jiwa became involved, Mathe began paying himself a ten percent commission on funds raised for Vision Broadcast even though he was already collecting a salary from the company.

18. Defendants' solicitation of investors primarily was through word of mouth. But they also targeted a wide range of prospective investors such as neighbors, friends, doctors they met at medical conferences, and others to whom existing investors referred them. Defendants solicited investors over the telephone, by mail, and in person, including at medical conferences where some investors traveled to meet Defendants. Mathe also provided investors Vision Broadcast offering documents including the Five-Year Business Plan, the Executive Summary and the "Public Merger Investment Opportunity" document. After deciding to invest, investors mailed their investment checks to Vision Broadcast or wired their investment funds to the company's bank account.

19. Many investors in Vision Broadcast did not have any previous relationship with Defendants, the company, or any of the company's other officers or directors. In many instances, Defendants failed to inquire about investors' financial or business knowledge or experience, or obtain any information from which Defendants could form a reasonable basis to believe that investors qualified as "accredited investors" as defined under Rule 501 of Regulation D of the Securities Act. Indeed, several investors in Vision Broadcast were not "accredited investors" and many others were not sophisticated — that is, they did not have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of the prospective investment. Vision Broadcast also did not give these investors any financial statements, audited or certified, by an independent public accountant.

20. Although Defendants typically solicited investors together, they played slightly different, but equally important, roles in the solicitation process. Mathe usually discussed Vision Broadcast's purported businesses such as its ownership of LPTV broadcast licenses from the Federal Communications Commission ("FCC") and Vision Broadcast's programs, ATS and NMTV. Jiwa, who professed to have extensive investment experience and business expertise, typically touted Vision Broadcast as a unique investment opportunity which would reap extraordinary profits for those who invested in the company. On several occasions, Jiwa even went as far as representing to investors that the investment was a "slam dunk."

21. Mathe also used one of Vision Broadcast's purported businesses, ATS, as a pretext to solicit investors such as doctors and other medical professionals. Mathe carried out this ruse by setting up information booths at large medical conferences where he showcased the ATS series. At these conferences, Mathe invited doctors to participate in the ATS series where they would be able display their medical knowledge and expertise to a national television



audience. If a doctor expressed an interest in participating in the series, Mathe or Jiwa would then solicit the doctor to invest in Vision Broadcast. Although some doctors who invested in Vision Broadcast were filmed for the ATS series, Vision Broadcast never completed one full episode for national or local television, or online distribution. Moreover, medical licensing boards never approved ATS for continued medical education training, although offering documents, such as the Five-Year Business Plan and Executive Summary, Mathe created and gave to investors stated to the contrary.

**B. Mathe's Written Misstatements and Omissions**

**(1) False Statements Regarding Vision Broadcast's Ownership of LPTV Stations and FCC Licenses**

22. Mathe created, had ultimate authority over and gave investors at least three Vision Broadcast documents which contained material misstatements and omissions: (i) a Five-Year Business Plan; (ii) an Executive Summary which contained substantially the same information as the Five-Year Business Plan; and (iii) a document called "Public Merger Investment Opportunity" offering convertible debentures. Through these documents, Mathe made numerous material misstatements and omissions concerning Vision Broadcast's ownership of LPTV stations and broadcast licenses from the FCC, including, but not limited to, the following:

- a. Vision Broadcast owned or managed LPTV broadcast operations in Tallahassee, FL; Jacksonville, FL; and Norfolk, VA.
- b. Vision Broadcast owned or controlled federal licenses to build and operate nearly 70 additional broadcast TV stations throughout the U.S. The corresponding TV markets represented a potential broadcast coverage of over 10 million households.
- c. Vision Broadcast had the right to buy LPTV licenses that were conservatively estimated as being worth a minimum of \$400 million once the stations were operational.

23. These and other similar statements were false and misleading. As chief executive officer of Vision Broadcast, Mathe knew the FCC never issued a LPTV permit or broadcast license to the company or to him. Furthermore, Mathe knew Vision Broadcast never owned any LPTV stations or permits or broadcast licenses from the FCC.

24. In the Five-Year Business Plan, Mathe represented Vision Broadcast had the right to buy LPTV licenses pursuant to certain Lease Management Purchase Option Agreements with four different companies. Mathe owned a small interest in three of the four companies. However, as an owner of these companies, Mathe knew or was severely reckless in not knowing they did not own broadcast licenses from the FCC. Rather, the companies only possessed low-power television/low-power broadcast station construction permits from the FCC. Furthermore, as chief executive officer of Vision Broadcast, Mathe knew the company never made any of the payments required under the agreements.

**(2) Other Misstatements and Omissions**

25. Mathe made numerous other material misrepresentations and omissions in documents he disseminated to investors concerning, among other things, Vision Broadcast's actual and potential value, its projected revenues, and use of investor funds. For example, in the document called "Public Merger Investment Opportunity" offering investors convertible debentures, Mathe represented Vision Broadcast had an initial valuation of \$50 million, with a potential valuation of \$500 to \$1 billion (based on comparable valuations from FCC auction data and October 2009 Consumer Electronic Association analysis). This representation about Vision Broadcast's actual and potential value was baseless because, as chief executive officer of Vision Broadcast, Mathe knew the company never owned a LPTV permit or broadcast license from the FCC. Furthermore, Mathe knew financial statements included by Vision Broadcast in a

registration statement filed with the Commission indicated the company only had total assets of \$50,055, \$111,560, and 130,904 for the years ending December 31, 2007 and 2008 and the quarter ending March 31, 2009.

26. In the Five-Year Business Plan, Mathe also projected Vision Broadcast would generate revenues of approximately \$70 million in its fifth year of operation based on the purported roll-out of new LPTV stations. This projection was baseless for the same reason discussed in the preceding paragraph.

27. Finally, Mathe misrepresented the use of investor funds in the Five-Year Business Plan when he stated the use of investor funds would be limited to: the purchase of FCC licenses (\$15 million), the construction of LPTV stations (\$15 million), and company operations (\$5 million). In reality, Mathe used investor funds for personal expenses, to pay himself and Jiwa undisclosed commissions, and for numerous other purposes inconsistent with his representations concerning the use of investor funds.

**C. Mathe's Oral Misstatements and Omissions**

28. In addition to the written misrepresentations and omissions discussed above, Mathe also made numerous oral misstatements and omissions including, but not limited to, the following:

- a. Vision Broadcast had been generating hundreds of thousands of dollars in revenue for many years from medical device manufacturers in connection with the production of the ATS series.
- b. The ATS series was generating revenues sufficient to pay employee and overhead expenses.
- c. Vision Broadcast had raised almost \$20 million—the amount needed to begin construction of the low-power television stations.

- d. Vision Broadcast had a commitment from a European bank or investment group to invest at least \$20 million once the company raised \$20 million from other investors.
- e. Jiwa had personally invested millions in Vision Broadcast.
- f. Mathe was collecting a small salary, while failing to disclose that he and Jiwa were receiving substantial commissions and other fees from investor funds.

29. These misstatements and omissions were materially false or misleading. As chief executive officer of Vision Broadcast, Mathe knew the company did not generate any revenue from the ATS series. In fact, Vision Broadcast's sole revenue, approximately \$20,000, resulted from the production of an orientation video for a medical conference in Las Vegas, Nevada. Moreover, Mathe knew Vision Broadcast did not raise \$20 million from investors, but rather only approximately \$5.7 million, and also knew Vision Broadcast never obtained a commitment from a European bank or investment group to make a multi-million dollar investment in the company. In fact, Mathe admitted to at least one former Vision Broadcast employee that a \$25 million letter of commitment he used to solicit investors was bogus. Furthermore, contrary to his representations, Mathe knew Jiwa never invested any personal capital in Vision Broadcast.

30. Above all, Mathe failed to disclose to investors that he and Jiwa collected commissions, totaling approximately \$459,000, for raising capital for Vision Broadcast.

**D. Jiwa's Oral Misstatements and Omissions**

31. Like Mathe, Jiwa frequently misrepresented Vision Broadcast's ownership of broadcast licenses from the FCC. Jiwa also made numerous additional oral misrepresentations, including, but not limited to, the following:

- a. Vision Broadcast owned licenses to build and operate LPTV stations with a potential value of \$20-\$30 million.

- b. According to an independent valuation, Vision Broadcast's 70 licenses to operate LPTVs would have a value of approximately \$75-\$150 million once the stations were built.
- c. He personally invested \$3 million in Vision Broadcast.
- d. Michael Jordan, the former basketball star, planned to invest in Vision Broadcast.
- e. Vision Broadcast's stock would be worth \$3.50 per share and the company's total value would be \$50 million once Vision Broadcast went public.
- f. Vision Broadcast had raised \$8.5 million of its \$10 million initial round of financing.
- g. Medical device manufacturers were paying Vision Broadcast hundreds of thousands of dollars to feature their products in the ATS series and these revenues constituted profit for the company.
- h. Investing in Vision Broadcast was a "slam dunk" because the licenses alone were worth at least \$75 million.

32. These misrepresentations were materially false or misleading. As a consultant to Vision Broadcast, Jiwa told investors he had analyzed the company and its operations, having invested capital in the company himself, and he vouched for the information he provided to investors. He also reviewed the Five-Year Business Plan Mathe created and gave to investors. As a consultant to Vision Broadcast, Jiwa knew or was severely reckless in not knowing the company never owned a LPTV permit or broadcast license from the FCC. In addition, Jiwa knew he never invested any personal capital in Vision Broadcast, and Michael Jordan never told anyone he planned to invest in the company. Moreover, as a consultant to the company, Jiwa knew or was severely reckless in not knowing Vision Broadcast did not generate any revenue from the ATS series, and its sole revenue, approximately \$20,000, resulted from the production of an orientation video for a medical conference in Las Vegas, Nevada. Jiwa also knew or was severely reckless in not knowing Vision Broadcast did not raise \$8.5 million from investors, but

rather only approximately \$5.7 million, and medical device manufacturers never paid Vision Broadcast hundreds of thousands of dollars to feature their products in the ATS series.

**E. Improper and Fraudulent Use of Investor Funds**

33. As a part of a larger plan or scheme to defraud Vision Broadcast's investors, Defendants enriched themselves at the investors' expense by using investor funds to pay themselves undisclosed: (i) commissions; (ii) fees for consulting or professional services they never provided to Vision Broadcast; and (iii) personal and travel expenses unrelated to Vision Broadcast's business. Mathe directed Vision Broadcast to make these payments.

**(1) Commissions**

34. Unknown to investors, Vision Broadcast paid Jiwa a ten percent commission on every dollar raised from investors whether or not he was actually involved in helping solicit the investments for the company. Soon after Jiwa began soliciting investors for Vision Broadcast, Mathe began paying himself commissions. To conceal his own commissions, Mathe directed Vision Broadcast to pay Jiwa a twenty percent commission on funds raised from investors which Jiwa then split equally with Mathe.

35. The undisclosed commissions paid to Mathe and Jiwa were substantial. According to the company's financial records, between May 2008 and March 2009, Vision Broadcast paid Jiwa's company, Century Finance, commissions totaling approximately \$459,000.

**(2) Consulting and Professional Services**

36. Vision Broadcast paid Mathe and Jiwa a total of approximately \$1,380,000 in fees for professional or consulting services they did not provide to Vision Broadcast.

37. Between January 2008 and December 2009, Vision Broadcast paid Mathe's company, Diakonos Group, approximately \$368,000 in consulting fees related to the purported development of a database used by Vision Broadcast in connection with the production of the ATS series. In fact, the database was created entirely by Vision Broadcast's employees using an off-the-shelf software program.

38. Between November 2008 and December 2009, Vision Broadcast paid Jiwa (and his companies, Century Finance and Bluemark) a total of approximately \$1,012,000 in consulting or professional fees. However, Jiwa did not provide any professional or consulting services to the company but instead only solicited investors for which he was paid commissions.

**(3) Personal and Travel Expenses**

39. Mathe and Jiwa used investor funds to pay for their personal and travel expenses which were unrelated to Vision Broadcast's business and which contradicted representations made to investors concerning the use of their investment funds. More specifically, Vision Broadcast, between March 2008 and November 2009, reimbursed one of Jiwa's close relatives \$425,000 in personal expenses and \$84,000 in travel expenses incurred by Jiwa. Additional personal expenses paid by Vision Broadcast included golf equipment (\$3,017), lease payments for Defendants' luxury cars (\$47,529 for both), and expenses relating to Mathe's boat (\$2,451).

**COUNT I**

**Unregistered Sale of Securities in Violation of  
Sections 5(a) and 5(c) of the Securities Act**

**(Against Both Defendants)**

40. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

41. No registration statement was filed or in effect with the Commission pursuant to the Securities Act with respect to the securities and transactions described in this Complaint, and no exemption from registration exists with respect to these securities and transactions.

42. From no later than August 2007 through February 2010, Defendants, directly and indirectly: (a) made use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, as described in this Complaint, through the use or medium of a prospectus or otherwise; (b) carried securities or caused such securities to be carried through the mails or in interstate commerce, as described in this Complaint, by any means or instruments of transportation, for the purpose of sale or delivery after sale; and/or (c) made use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy securities through the use or medium of any prospectus or otherwise, as described in this Complaint, without a registration statement having been filed or being in effect with the Commission as to such securities.

43. By reason of the foregoing, Defendants directly and indirectly violated, and, unless enjoined, are reasonably likely to continue to violate, Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

## **COUNT II**

### **Unregistered Broker-Dealer in Violation of Section 15(a)(1) of the Exchange Act**

#### **(Against Both Defendants)**

44. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

45. From no later than August 2007 through February 2010, Defendants directly and indirectly, by use of the mails or any means or instrumentality of interstate commerce, while acting as or associated with a broker or dealer, effected transactions in, or induced or attempted



to induce, the purchase or sale of securities, while Defendants were not registered with the Commission as a broker or dealer or while Defendants were not associated with a broker or dealer registered with the Commission.

46. By reason of the foregoing, Defendants directly and indirectly violated, and, unless enjoined, are reasonably likely to continue to violate, Section 15(a)(1) of the Exchange Act, 15 U.S.C. § 78o(a)(1).

### **COUNT III**

#### **Fraud in Violation of Section 17(a)(1) of the Securities Act**

##### **(Against Mathe)**

47. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

48. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

49. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

### **COUNT IV**

#### **Fraud in Violation of Section 17(a)(1) of the Securities Act**

##### **(Against Jiwa)**

50. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

51. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means or instruments of transportation or communication in interstate

commerce and by use of the mails, in the offer or sale of securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

52. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

#### **COUNT V**

##### **Fraud in Violation of Section 17(a)(2) of the Securities Act**

###### **(Against Mathe)**

53. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

54. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities, as described in this Complaint, obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading.

55. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

#### **COUNT VI**

##### **Fraud in Violation of Section 17(a)(2) of the Securities Act**

###### **(Against Jiwa)**

56. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

57. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities, as described in this Complaint, obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading.

58. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

#### **COUNT VII**

#### **Fraud in Violation of Section 17(a)(3) of the Securities Act**

#### **(Against Mathe)**

59. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

60. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities, as described in this Complaint, engaged in transactions, practices and courses of business which have operated, are now operating or will operate as a fraud or deceit upon the purchasers and prospective purchasers of such securities.

61. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act, 15 U.S.C. § 77q(a)(3).

**COUNT VIII**

**Fraud in Violation of Section 17(a)(3) of the Securities Act**

**(Against Jiwa)**

62. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

63. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities, as described in this Complaint, engaged in transactions, practices and courses of business which have operated, are now operating or will operate as a fraud or deceit upon the purchasers and prospective purchasers of such securities.

64. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act, 15 U.S.C. § 77q(a)(3).

**COUNT IX**

**Fraud in Violation of Section 10(b) and Rule 10b-5(a) of the Exchange Act**

**(Against Mathe)**

65. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

66. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

67. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(a) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(a).

**COUNT X**

**Fraud in Violation of Section 10(b) and Rule 10b-5(a) of the Exchange Act**

**(Against Jiwa)**

68. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

69. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

70. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(a) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(a).

**COUNT XI**

**Fraud in Violation of Section 10(b) and Rule 10b-5(b) of the Exchange Act**

**(Against Mathe)**

71. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

72. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly made untrue statements of material facts and 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.

73. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(b) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(b).

**COUNT XII**

**Fraud in Violation of Section 10(b) and Rule 10b-5(b) of the Exchange Act**

**(Against Jiwa)**

74. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

75. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly made untrue statements of material facts and 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.

76. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(b) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(b).

**COUNT XIII**

**Fraud in Violation of Section 10(b) and Rule 10b-5(c) of the Exchange Act**

**(Against Mathe)**

77. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

78. From no later than February 2009 through February 2010, Mathe directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly engaged in acts, practices and courses of business which have operated, are now operating or will operate as a fraud or deceit upon the purchasers and prospective purchasers of such securities.

79. By reason of the foregoing, Mathe directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(c) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(c).

**COUNT XIV**

**Fraud in Violation of Section 10(b) and Rule 10b-5(c) of the Exchange Act**

**(Against Jiwa)**

80. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

81. From no later than February 2009 through February 2010, Jiwa directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly engaged in acts, practices and courses of business which have operated, are now operating or will operate as a fraud or deceit upon the purchasers and prospective purchasers of such securities.

82. By reason of the foregoing, Jiwa directly and indirectly violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(c) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(c).

**COUNT XV**

**Aiding and Abetting Vision Broadcast's Violations of Section 10(b)  
of the Exchange Act and Rule 10b-5(b)**

**(Against Mathe)**

83. The Commission repeats and realleges Paragraphs 1 through 39 of its Complaint.

84. From no later than February 2009 through February 2010, Vision Broadcast directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails, in connection with the purchase or sale of the securities, as described in this Complaint, knowingly, willfully or recklessly made untrue statements of material facts and 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.

85. From no later than February 2009 through February 2010, Mathe knowingly, willfully or recklessly aided and abetted Vision Broadcast's violations of Section 10(b) and Rule 10b-5(b) of the Exchange Act. Mathe also directly and indirectly had a general awareness that he was part of an overall activity that was improper or illegal, and he acted knowingly in, or was extremely reckless in not knowing he was, providing substantial assistance to Vision Broadcast's violations of Section 10(b) and Rule 10b-5(b) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(b).

86. By reason of the foregoing, Mathe aided and abetted and, unless enjoined, is reasonably likely to continue to aid and abet, Vision Broadcast's violations of Section 10(b) and Rule 10b-5(b) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(b).



## **RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court:

### **I.**

#### **Declaratory Relief**

Declare, determine and find that Defendants committed the violations of the federal securities laws alleged herein.

### **II.**

#### **Permanent Injunction**

Issue a Permanent Injunction restraining and enjoining Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating the federal securities laws alleged in this Complaint.

### **III.**

#### **Disgorgement**

Issue an Order directing (i) Defendants to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint; and (ii) Relief Defendant Bluemark Asset Management LLC to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

### **IV.**

#### **Penalties**

Issue an Order directing Defendants to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d).

V.

**Penny Stock Bar**

Issue an Order, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), barring Defendants from participating in any future offering of a penny stock.

VI.

**Officer and Director Bar**

Issue an Order, pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), barring Defendants from acting as officers or directors of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

VII.

**Further Relief**

Grant such other and further relief as may be necessary and appropriate.

VIII.

**Retention of Jurisdiction**

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that may hereby be entered, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Dated: September 26, 2014

Respectfully submitted,

By:



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Patrick R. Costello  
Senior Trial Counsel  
Florida Bar No. 75034  
Direct Dial: (305) 982-6380  
E-mail: [CostelloP@sec.gov](mailto:CostelloP@sec.gov)  
*Lead Attorney*

Andre J. Zamorano  
Senior Counsel  
Florida Bar No. 967361  
Direct Dial: (305) 982-6324  
E-mail: [ZamoranoA@sec.gov](mailto:ZamoranoA@sec.gov)

**ATTORNEYS FOR PLAINTIFF**  
**SECURITIES AND EXCHANGE COMMISSION**  
801 Brickell Avenue, Suite 1800  
Miami, Florida 33131  
Telephone: (305) 982-6300  
Facsimile: (305) 536-4154