

IN THE CIRCUIT COURT FOR PRINCE GEORGE’S COUNTY

MELANIE SENTER LUBIN *
Securities Commissioner *
for the State of Maryland *

Plaintiff, *

v. *

CASE No. C-16-CV-23-003981

MATHIAS BAMA, et al. *

Defendants. *

* * * * *

FINAL JUDGMENT AND CONSENT ORDER FOR PERMANENT INJUNCTION

Plaintiff, the Securities Commissioner for the State of Maryland (the “Securities Commissioner”), commenced this action by filing a complaint (the “Complaint”) against Defendants Mathias Bama (“Bama”), Valentine Bama (“Valentine”), and Hilaire Leunkam (“Leunkam”) (collectively, the “Individual Defendants”), and Prosperity Partners, Inc. (“Prosperity Inc.”), Prosperity Partners, LLC (“Prosperity LLC”)¹, and Prosperity Medical and Health System, LLC (“Prosperity Medical”) (collectively, the “Corporate Defendants”).

The Complaint charges the Corporate Defendants with violating sections 11-301, 11-401, and 11-501 of the Maryland Securities Act, Title 11, Corporations and Associations Article, Annotated Code of Maryland (2014 Repl. Vol. & Supp. 2023) (the “Securities Act”). The Securities Commissioner is seeking a permanent injunction and other relief pursuant to section 11-702(b) of the Securities Act.

By the attached Consent Order (incorporated herein by reference), Roger Schlossberg, the chapter 7 bankruptcy trustee for Prosperity Partners, Inc. (the “Prosperity Partners Trustee”)

¹ On August 27, 2019, Prosperity LLC filed articles of conversion to convert Prosperity LLC to Prosperity Inc.

and Merrill Cohen, the chapter 7 bankruptcy trustee for Prosperity Medical and Health System, LLC (the “Prosperity Medical Trustee”) (collectively, the “Trustees”) do not object to the entry of the following Final Judgment and Consent Order for Permanent Injunction (the “Final Judgment and Consent”) in settlement of the Securities Commissioner’s Complaint:

1. The Securities Commissioner alleged that the Corporate Defendants, in connection with the offer and sale of securities, violated provisions of the Securities Act, including section 11-301 prohibiting fraud in the offer and sale of securities.

2. The Securities Commissioner has the authority under section 11-702(b) of the Securities Act to seek the relief requested.

3. This Court has jurisdiction over the subject matter of this action pursuant to section 11-702 of the Securities Act.

4. This Court has personal jurisdiction over the Corporate Defendants pursuant to sections 6-102 and 6-103 of the Courts and Judicial Proceedings Article, Annotated Code of Maryland (2013 Repl. Vol. & Supp. 2023). By the Corporate Defendants’ consent, venue is proper in this Court.

5. The Trustees have no objection to the entry of this Final Judgment and Consent.

IT IS THEREFORE ORDERED, that:

A. The Corporate Defendants, their agents, servants, employees and those persons in active concert or participation with them directly or indirectly, singly or in concert, who receive actual notice of the Final Judgment and Consent by personal service or otherwise, are restrained and enjoined from engaging in acts and practices that violate the Securities Act and the regulations adopted thereunder, and the Consent Order issued by the Securities Commissioner resolving the administrative proceeding; and

B. The Corporate Defendants are hereby permanently restrained and enjoined from engaging in the securities business in Maryland, whether doing business from Maryland or from outside of Maryland with Maryland residents or otherwise engaging in activity within the scope of the Securities Act as set forth in section 11-801 of the Securities Act, for or on behalf of any others, or from acting as principal or consultant in any entity so engaged, including engaging in the offer and sale of any securities whether registered, exempted or preempted from registration, including but not limited to the offer, sale, or issuance of stocks, bonds, limited partnerships, general partnerships, promissory notes, and investment contracts; and

C. The Corporate Defendants are permanently restrained and enjoined from engaging in the investment advisory business in Maryland, including but not limited to holding out and/or acting as an investment adviser, investment adviser representative, financial planner, or other financial adviser or financial consultant; and

D. Any civil monetary penalty that could be assessed against Defendants Prosperity and Prosperity Medical pursuant to section 11-702 of the Securities Act for the violations set forth in this Order is waived in light of Defendants Prosperity's and Prosperity Medical's Chapter 7 bankruptcies and the appointment of independent trustees to marshal Defendants Prosperity's and Prosperity Medical's assets for the benefit of creditors including investors. In the event that either bankruptcy proceeding is dismissed by Order of the Bankruptcy Court, this proceeding may be reopened to address the issue of a civil monetary penalty.

E. Any civil monetary relief for the benefit of investors that could be assessed as part of this Order against Defendants Prosperity and Prosperity Medical for the violations set forth in this Order is deferred to any relief available as part of the resolution of Defendants Prosperity's and Prosperity Medical's Chapter 7 bankruptcies under the auspices of the

independent trustees who are marshalling Defendants Prosperity’s and Prosperity Medical’s assets for the benefit of creditors including investors. In the event that either bankruptcy proceeding is dismissed by Order of the Bankruptcy Court, this proceeding may be reopened to address the issue of civil monetary relief for the benefit of investors.

F. The Corporate Defendants acknowledge that, for the purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, any debt for disgorgement, prejudgment interest, civil penalty, or any other amounts due by the Corporate Defendants under this Order or any other judgment, order, consent order, decree, or settlement agreement entered in connection with this proceeding, is a debt for violation by the Corporate Defendants of the Maryland securities laws or any regulation or order issued under such laws, as set forth in section 523(a)(19) of the Bankruptcy Code, 11 U.S.C §523(a)(19).

IT IS FURTHER ORDERED, and the Corporate Defendants expressly consent and agree that the Court retains jurisdiction of this matter for purposes of the construction, modification, and enforcement of this Final Judgment and Consent.

DATE OF THIS ORDER:

SO ORDERED:

Judge for the Circuit Court of
Prince George’s County

By Consent:

Date

Roger Schlossberg, solely in his capacity
as trustee for Prosperity Partners, Inc.

Date

Merrill Cohen, solely in his capacity
as trustee for
Prosperity Medical and Health System, LLC

**Commissioner's Signature on File
w/Original Documents**

November 14, 2024
Date

/s/ Melanie Lubin

Melanie Senter Lubin
Securities Commissioner
AIS No: 8612010319

Date

/s/ Katharine M. Weiskittel

Katharine M. Weiskittel
Assistant Attorney General
AIS No: 9712180276