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FILED
ALAMEDA COUNTY

NOV 09 2018

CLERK OF THE SUPERIOR COURT
By *Robert Clarke*
Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

People of the State of California,

Plaintiffs,

v.

Wounded Warriors Support Group, et al.,

Defendants.

Case No. RG17856929

**ORDER AND ENTRY OF
JUDGMENT FOR PERMANENT
INJUNCTION AGAINST
INDIVIDUALLY NAMED
DEFENDANTS AND ORDER TO PAY
PENALTIES AGAINST INDIVIDUALLY
NAMED DEFENDANTS**

This case came on regularly for trial on August 27, 2018, and concluded on November 5, 2018, in Department 517 of the above-entitled court, the Honorable Stephen M. Pulido, Judge, presiding. Plaintiffs, the People of the State of California, appeared by the Office of the Attorney General, Deputy Attorney General Julianne Mossler, assisted by Investigative Auditor Nicholas W. Dahl. Defendant Matthew G. Gregory represented himself and his sole-proprietorship business defendant Gregory Motorsports. Gina D. Gregory, Esq., represented defendants Gina D. Gregory, Danella J. Gregory, Matthew J. Gregory, Wounded Warriors Support Group, and Central Coast Equine Rescue and Retirement.

A jury of 12 persons was regularly impaneled and sworn to try the action. After hearing the evidence, arguments of counsel and Mr. Matthew G. Gregory, and instructions of the Court,

1 the jury retired to consider their verdict, and subsequently returned to court, and being called,
2 answered to their names, and rendered their verdict in writing. The jury found violations of law
3 against all defendants and awarded damages in favor of the People and against each individually
4 named defendant.

5 **THE JURY MADE THE FOLLOWING FINDINGS OF FACT RELEVANT TO**
6 **THE ORDER OF PERMANENT INJUNCTION AND PENALTIES:**

7 1. Defendants Matthew G. Gregory, Danella J. Gregory, and Matthew J. Gregory are
8 the directors of defendants WWSG and CCERR.

9 2. As directors of WWSG and CCERR, defendants Matthew G. Gregory, Danella J.
10 Gregory, and Matthew J. Gregory failed to act with utmost good faith in the best interest of
11 WWSG and CCERR, a total of 3430 times, including for failing to use reasonable care and
12 inquiry, spending donated funds on something other than charity, failing to keep accurate minutes
13 of board proceedings, avoiding self-dealing transaction, avoiding loans of money or property
14 between himself/herself and WWSG or CCERR, and failing to file accurate reports and tax
15 returns.

16 3. Defendants Matthew G. Gregory, and Matthew J. Gregory breached their duty to
17 act with utmost good faith in the best interests of charity and donors when fundraising for WWSG
18 and CCERR.

19 4. Defendants Matthew G. Gregory, Matthew J. Gregory, and Gina D. Gregory
20 engaged in deceptive and misleading solicitations.

21 5. Defendant Matthew G. Gregory damaged WWSG and CCERR by engaging in
22 self-dealing transactions.

23 6. Defendants Matthew G. Gregory and Matthew J. Gregory used WWSG and
24 CCERR to operate illegal raffles.

25 7. Defendant Gina D. Gregory aided and abetted Matthew G. Gregory, Danella J.
26 Gregory and Matthew J. Gregory in an unlawful act for her own interests or financial advantage.

27 8. Defendants Matthew G. Gregory, Danella J. Gregory, Matthew J. Gregory, and
28 Gina D. Gregory were unjustly enriched by their illegal operation of WWSG and CCERR.

1 The People of the State of California sought injunctive relief against the defendants, and
2 sought civil penalties in their Complaint against the individually named defendants under section
3 12591.1 of the Government Code.

4 The Court having considered the matter, and good cause appearing:

5 **WHEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AND**
6 **JUDGMENT TO BE ENTERED AS SET FORTH BELOW:**

7 1. The Court has jurisdiction over the parties to this action, and to enter this
8 judgment.

9 **Injunctive Relief**

10 2. Defendants Matthew G. Gregory, Danella J. Gregory, Matthew J. Gregory, and
11 Gina D. Gregory, and each of them, are permanently enjoined from acting as a founder, officer,
12 director, agent, employee, or a fiduciary for any California charitable corporation, charitable
13 association, charitable organization, or charitable trust.

14 3. Defendants Matthew G. Gregory, Danella J. Gregory, Matthew J. Gregory, and
15 Gina D. Gregory, and each of them, are permanently enjoined from operating any charity raffle,
16 and from soliciting charitable donations and assets in California or from any resident of
17 California.

18 **Penalties**

19 4. Against defendant Matthew G. Gregory, personally, \$10,000 in penalty for
20 violating the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government
21 Code section 12580 et seq.) with intent to deceive or defraud any charity or individual.

22 5. Against defendant Danella J. Gregory, personally, \$10,000 in penalty for violating
23 the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government Code
24 section 12580 et seq.) with intent to deceive or defraud any charity or individual.

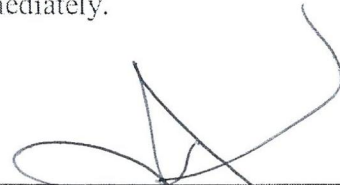
25 6. Against defendant Matthew J. Gregory, personally, \$10,000 in penalty for
26 violating the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government
27 Code section 12580 et seq.) with intent to deceive or defraud any charity or individual.

28 7. Against defendant Gina D. Gregory, personally, \$10,000 in penalty for violating

1 the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Government Code
2 section 12580 et seq.) with intent to deceive or defraud any charity or individual.

3 8. Judgment shall take effect immediately.

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5 Dated: 11-9-2018



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7 Stephen M. Pulido, Judge of the Superior Court
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