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**Exempt from Filing and Reporter
Fees—Gov. Code, § 6103**

FILED

Superior Court of California
County of San Francisco

JUL 22 2022

CLERK OF THE COURT

BY:  Deputy Clerk

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF SAN FRANCISCO

11
12 **THE PEOPLE OF THE STATE OF CALIFORNIA,**

13 Plaintiff,

14 v.

15 **ZERODIVIDE; TESSIE GUILLERMO; DAVID**
16 **VENEZIANO; CARLADENISE EDWARDS;**
17 **LINDA MIYA IWATAKI; JULIE MURCHINSON;**
18 **KELVIN QUAN; AND DOES 1 THROUGH 25,**
19 **INCLUSIVE,**

20 Defendants.

Case No. CGC-22-599020

~~PROPOSED~~ FINAL JUDGMENT

21 Plaintiff, the People of the State of California (“People”), by and through Rob Bonta, the
22 Attorney General of the State of California, filed their Complaint against Defendants ZeroDivide,
23 a California nonprofit public benefit corporation, and ZeroDivide’s directors and officers, Tessie
24 Guillermo (“Guillermo”), David Veneziano (“Veneziano”), Carladenise Edwards (“Edwards”),
25 Linda Miya Iwataki (“Iwataki”), Julie Murchinson (“Murchinson”), and Kelvin Quan (“Quan”).
26 The People’s Complaint alleged violations of California’s charitable trusts laws, including the
27 Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code, § 12580 et
28

1 seq.), the Nonprofit Public Benefit Corporation Law (Corp. Code, § 5000, et seq.), and the
2 Charitable Solicitations Law (Bus. & Prof. Code, § 17510 et seq.).

3 The parties have settled their dispute and stipulated in writing to the entry of this Final
4 Judgment (“Judgment”) pursuant to Code of Civil Procedure section 664.6, to resolve all matters
5 in this action without trial or adjudication of any issue or law or fact.

6 Good cause therefore appearing, **IT IS HEREBY ORDERED, ADJUDGED, AND**
7 **DECREED:**

8 **FINDINGS**

- 9 1. This Court has jurisdiction over this matter.
- 10 2. Defendants deny the allegations in the Complaint, except that Defendants admit the
11 facts necessary to establish jurisdiction. This Judgment does not constitute evidence of an
12 admission of fault or liability by the Defendants.
- 13 3. Defendants waive all rights to appeal or otherwise challenge or contest the validity of
14 this Judgment, or any of its terms.

15 **MONETARY TERMS**

16 ~~April 2020~~ Defendants are jointly and severally liable for the total amount of \$326,008. Payment
17 shall be made to Community Initiatives, the fiscal sponsor of ZeroDivide’s former program, the
18 Renaissance Journalism Center. Payment to Community Initiative is restricted for use solely for
19 the Renaissance Journalism Center. Payment shall be made by certified check payable to
20 “Community Initiatives for Renaissance Journalism” in one lump sum within sixty (60) days of
21 the Court entering this Judgment. If payment is not made by then, interest shall begin to accrue at
22 the legal rate until the payment is made. The check shall be delivered to Community Initiatives at
23 1000 Broadway, Suite 480, Oakland, California 94607, with a carbon copy to the People.

24 5. Defendants are liable for \$30,000 as penalties, \$8,525 for late filing fees, and \$100,000
25 for reimbursement of attorney’s fees. The total amount of \$138,525 shall be made by certified
26 check payable to “the California Department of Justice” in one lump sum within sixty (60) days
27 of the Court entering this Judgment.

28

INJUNCTIVE TERMS

1
2 6. Defendants Guillermo, Edwards, Murchinson, Iwataki, and Quan shall wind up and
3 dissolve ZeroDivide. They shall initiate the process no later than sixty (60) days of the Court
4 entering this Judgment in accordance with California Corporations Code sections 6610, et seq.
5 and 6710, et seq. Upon the winding up and dissolution of ZeroDivide, any assets remaining after
6 provision for payment of proper claims and expenses of administration, if any, shall be distributed
7 to Community Initiatives for the restricted purpose of solely funding the Renaissance Journalism
8 Center. Payment shall be made in the same manner as described in paragraph 4. Proper claims
9 and expenses of administration include payment of attorney's fees, accountant fees, and known
10 debts and liabilities shall not include reimbursement in any form to Defendants. Any
11 reimbursement to Defendants will be deemed an improper distribution as defined in Corporations
12 Code section 6719. Once obtained, Defendants shall promptly provide a copy of ZeroDivide's
13 dissolution certificate to the People.

14 7. From the date the Court enters this Judgment, Guillermo and Veneziano are
15 permanently restrained and enjoined from violating any California statute, regulation, or rule
16 related to operating a charitable nonprofit organization or trust, soliciting charitable contributions,
17 and/or managing or controlling charitable assets.

18 8. For three years, Guillermo is restrained and enjoined from:

19 a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or
20 other fiduciary for any California nonprofit corporation, unincorporated charitable organization,
21 or charitable trust, or other nonprofit corporation or organization doing business in California;

22 b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator,
23 other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in
24 the business of charitable fundraising in California;

25 c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable
26 purpose in California or from Californians;

27 d. Holding, managing, directing, or controlling funds or assets for a charitable purpose
28 in California or from Californians; and

1 e. Doing business in California as a commercial fundraiser for charitable purposes,
2 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
3 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

4 The date for commencing this injunction is October 1, 2022. If the Court does not enter this
5 Judgment before October 1, 2022, then it shall commence from the date the Court enters this
6 Judgment. Also, this injunction shall not prevent Guillermo from winding up and dissolving
7 ZeroDivide.

8 9. For three years from the date the Court enters this Judgment, Veneziano is restrained
9 and enjoined from:

10 a. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator, or
11 other fiduciary for any California nonprofit corporation, unincorporated charitable organization,
12 or charitable trust, or other nonprofit corporation or organization doing business in California;

13 b. Acting as a director, officer, trustee, manager, supervisor, founder, incorporator,
14 other fiduciary, employee, agent, independent contractor, or volunteer of any for-profit entity in
15 the business of charitable fundraising in California;

16 c. Soliciting or assisting others to solicit funds or assets, by any means, for a charitable
17 purpose in California or from Californians;

18 d. Holding, managing, directing, or controlling funds or assets for a charitable purpose
19 in California or from Californians; and

20 e. Doing business in California as a commercial fundraiser for charitable purposes,
21 fundraising counsel for charitable purposes, commercial coventurer, or trustee, as those terms are
22 defined in California Government Code sections 12599, 12599.1, 12599.2, and 12582.

23 **ADDITIONAL TERMS**

24 10. Any notices or communications required to be transmitted between the parties pursuant
25 to this Judgment shall be sent to the below persons, or to their successors, in writing by first class
26 mail, overnight delivery, or electronic mail:

27 a. To the People: Brian Armstrong, Deputy Attorney General; California Department
28 of Justice, Office of the Attorney General; 455 Golden Gate Avenue, Suite 11000; San Francisco,

1 CA 94102-7004; (415) 510-3758; brian.armstrong@doj.ca.gov.

2 b. To Defendants: Raja Sekaran; Nossaman LLP; 50 California St., 34th Flr.; San
3 Francisco, CA 94111; (415) 438-7205; rsekaran@nossaman.com.

4 Any notices provided pursuant to this Judgment shall be deemed given five (5) days after
5 mailing by first class mail or one (1) business day after electronic mail transmission, overnight
6 delivery, or personal service.

7 11. As requested by the parties, this Court shall retain jurisdiction of this matter for the
8 purpose of enabling any party to this Judgment to apply to the Court at any time for orders and
9 direction as are necessary or appropriate for the construction and carrying out of this Judgment,
10 including for the enforcement of any terms, punishment for any violation of its terms, or
11 modification of any terms pursuant to Code of Civil Procedure section 664.6. The terms and
12 enforcement of this Judgment shall be governed by the laws of the State of California, and venue
13 shall be in the Superior Court of California, County of San Francisco.

14 12. In any action or motion brought by the People to enforce this Judgment in which the
15 Attorney General obtains any or all of the relief sought, the People shall be entitled to attorney's
16 fees and costs in addition to any other remedies provided by law.

17 13. This Judgment shall be binding and effective immediately upon entry by the clerk of
18 this Court, and the Clerk is ordered to enter this Final Judgment.

19
20 Dated: 7/22/2022



Judge of the Superior Court

MURLENE J. RANDLE

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