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BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
OF THE STATE OF CALIFORNIA

In the Matter of:

THE COMMISSIONER OF FINANCIAL  
PROTECTION AND INNOVATION,

Complainant,

v.

WEST COAST SETTLEMENTS, LLC and  
BENJAMIN PEARSEY,

Respondents.

SETTLEMENT AGREEMENT

The Commissioner of Financial Protection and Innovation (Commissioner), Respondent West Coast Settlements, LLC (WCS), and Respondent Benjamin Pearsey (Pearsey) (collectively, the "Parties") enter into this Settlement Agreement (Agreement) with respect to the following facts:

**I.**

**RECITALS**

A. Commissioner has jurisdiction over the licensing and regulations of persons and entities engaged in the business of the offer and sale of securities under the Corporate Securities Law of 1968 (CSL)<sup>1</sup>. Under Financial Code section 326(a), the Commissioner is authorized to administer and enforce the provisions of the CSL.

<sup>1</sup> See Cal. Corp. Code §§ 25000-25707. Unless stated otherwise, all section references are to the Corporations Code.

B. At all relevant times herein, WCS, is and was a California limited liability company located at 17011 Beach Blvd., Suite 900, Huntington Beach, California 92647.

C. Between July 2019 through March 2024, John Muratore (Muratore) was the managing member of WCS.

D. On December 19, 2023, the Commissioner issued a Desist and Refrain Order against John Muratore and WCS for the offer and sale of unqualified, non-exempt securities (2023 Desist and Refrain Order). The matter was settled on August 12, 2024, which resulted in a final desist and refrain order against WCS and Muratore for violations of section 25110 and 25230, and an order barring Muratore from any position of employment, management, or control of any investment adviser, broker-dealer, or commodity adviser.

E. Beginning in or about March 2024, Pearsey succeeded Muratore as the manager of WCS.

F. WCS and Pearsey are collectively referred to as Respondents.

G. Following an investigation of WCS and Pearsey, the Commissioner made the following findings of fact:

- i. Beginning in or about March 2024, after Pearsey took over, Respondents sent an email to investors informing them it was making such an “Additional Funding Request.” This email then constituted an offer to sell securities.
- ii. Respondents sent this email to at least 77 investors, residing in California and elsewhere.
- iii. The securities were offered or sold in this state in issuer transactions. The Department of Financial Protection and Innovation has not issued a permit or other form of qualification authorizing any person to offer or sell the above-described securities, in this state.
- iv. In connection with the offer and sale of these securities, Respondents failed to disclose material facts to investors and potential investors, including the 2023 Desist and Refrain Order issued against West Coast Settlements LLC.

H. On April 17, 2024, the Commissioner issued the following actions: (1) Desist and refrain order (Order); and (2) Notice of intent to issue order levying administrative penalties.

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I. The Commissioner finds that entering into this Settlement Agreement is appropriate, in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policies and procedures of the CSL.

J. NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set forth herein, the Parties agree as follows:

## II.

### **TERMS AND CONDITIONS**

1. Purpose: This Agreement resolves the issues before the Commissioner, set forth above, in a manner that avoids the expense of a hearing and other possible court proceedings, protects consumers, is in the public interest, and is consistent with the purposes and provisions of the CSL.

2. Stipulation to Finality: Respondents stipulate to the finality of the Order and this Agreement and agree to comply with their terms.

3. Desist and Refrain Order for Violations of Section 25110: Pursuant to section 25532, WCS and Pearsey are hereby ordered from offering or selling or buying or offering to buy any security in the State of California, including, but not limited to subscription agreements and investment contracts, unless and until qualification has been made under said law or unless exempt.

4. Desist and Refrain Order for Violations of Section 25401: Pursuant to section 25532, WCS and Pearsey are ordered to desist and refrain from offering or selling or buying or offering to buy any security in the state of California by means of any written or oral communication which includes an untrue statement of material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of Corporations Code section 25401.

5. Waiver of Hearing Rights: The Respondents hereby waive the right to any hearings, and to any reconsideration, appeal, or other right to review which may presently be afforded pursuant to the CSL, the California Administrative Procedure Act (APA), the California Code of Civil Procedure (CCP), or any other provision of law. By waiving such rights, the Respondents effectively consent to this Agreement and all the terms becoming final.

6. Failure to Comply with Settlement Agreement: WCS and Pearsey agree that if they

fail to comply with any requirement of this Agreement, the Commissioner may, in addition to all other available remedies he may invoke under the CSL, immediately bar Pearsey from any position of employment, management, or control of any investment adviser, broker-dealer, or commodity adviser. Pearsey hereby waives any notice and hearing rights to contest the immediate bar which may be afforded under the CSL, the APA, the CCP, or any other provision of law in connection therewith.

7. Information Willfully Withheld or Misrepresented: This Agreement may be revoked, and the Commissioner may pursue any and all remedies available under law against WCS and Pearsey, if the Commissioner discovers that WCS and Pearsey knowingly or willfully withheld or misrepresented material information used for and relied upon in this Agreement.

8. Future Actions by Commissioner: If WCS or Pearsey fails to comply with any terms of the Agreement, the Commissioner may institute proceedings for any and all violations otherwise resolved under this Agreement. The Commissioner reserves the right to bring any future actions against WCS and Pearsey, for any and all unknown violations of the CSL or any other law under the Commissioner's jurisdiction.

9. Assisting Other Agencies: Nothing in this Agreement limits the Commissioner's ability to assist any other government agency (whether city, county, state, or federal) with any administrative, civil or criminal action brought by that agency against WCS and Pearsey or any other person based upon any of the activities alleged in this matter or otherwise.

10. Headings: The headings to the paragraphs of this Agreement are inserted for convenience only and will not be deemed a part hereof or affect the construction or interpretation of the provisions hereof.

11. Binding: This Agreement is binding on all heirs, assigns, and/or successors in interest.

12. Reliance: Each of the Parties represents, warrants, and agrees that in executing this Agreement it has relied solely on the statements set forth herein and the advice of its own counsel. Each of the Parties further represents, warrants, and agrees that in executing this Agreement it has placed no reliance on any statement, representation, or promise of any other party, or any other person or entity not expressly set forth herein, or upon the failure of any party or any other person or

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1 entity to make any statement, representation or disclosure of anything whatsoever. The Parties have  
2 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to  
3 execute this Agreement; and (2) to preclude the introduction of parol evidence to vary, interpret,  
4 supplement, or contradict the terms of this Agreement.

5 13. Waiver, Amendments, and Modifications: No waiver, amendment, or modification of  
6 this Agreement will be valid or binding unless it is in writing and signed by each of the Parties. The  
7 waiver of any provision of this Agreement will not be deemed a waiver of any other provision. No  
8 waiver by either party of any breach of, or of compliance with, any condition or provision of this  
9 Agreement by the other party will be considered a waiver of any other condition or provision or of  
10 the same condition or provision at another time.

11 14. Full Integration: This Agreement is the final written expression and the complete and  
12 exclusive statement of all the agreements, conditions, promises, representations, and covenant  
13 between the Parties with respect to the subject matter hereof, and supersedes all prior or  
14 contemporaneous agreements, negotiations, representations, understandings, and discussions between  
15 and among the Parties, their respective representatives, and any other person or entity with respect to  
16 the subject matter covered hereby.

17 15. Governing Law: This Agreement will be governed by and construed in accordance  
18 with California law. Each of the Parties hereto consents to the jurisdiction of such court, and hereby  
19 irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the  
20 maintenance of such action or proceeding in such court.

21 16. Counterparts: This Agreement may be executed in one or more separate counterparts,  
22 each of which when so executed, shall be deemed an original. Such counterparts shall together  
23 constitute a single document.

24 17. Effect Upon Future Proceedings: If WCS or Pearsey applies for any license,  
25 certificate, registration, permit, or qualification under the Commissioner's current or future  
26 jurisdiction, or is the subject of any future action by the Commissioner to enforce this Agreement,  
27 then the subject matter hereof shall be admitted for the purpose of such application(s) or enforcement  
28 proceeding(s).

18. Voluntary Agreement: WCS and Pearsey enter into this Agreement voluntarily and without coercion and acknowledges that no promises, threats or assurances have been made by the Commissioner or any officer, or agent thereof, about this Agreement. The Parties each represent and acknowledge that he, she or it is executing this Agreement completely voluntarily and without any duress or undue influence of any kind from any source.

19. Notice: Any notice required under this Agreement shall be provided to each party at the following addresses:

To Respondents: Richard Weintraub  
Weintraub Law Group PC  
10085 Carroll Canyon Rd, Suite 230  
San Diego, California 92131  
rick@weintraublawgroup.com

Benjamin Pearsey  
181 E Quail Wood Lane  
Westfield, Indiana 46074  
benjaminpearsey@gmail.com

To the Commissioner: Ryan M. Cassidy, Counsel  
Department of Financial Protection and Innovation  
651 Bannon Street, Suite 300  
Sacramento, CA 95811  
Ryan.Cassidy@dfpi.ca.gov

20. Signatures: A fax or electronic mail signature shall be deemed the same as an original signature.

21. Public Record: WCS and Pearsey hereby acknowledge that this Agreement is and will be a matter of public record.

22. Effective Date: This Agreement shall become final and effective when signed by all Parties and delivered by the Commissioner's agent via e-mail to WCS's and Pearsey's agent, Richard Weintraub, at rick@weintraublawgroup.com.

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23. Authority to Sign: Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Agreement and undertake the obligations set forth herein.

Dated: May 30, 2025  
Sacramento, California



KHALIL MOHSENI  
Commissioner of Financial Protection and Innovation

By

MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division

Dated: May 30, 2025

By

BENJAMIN PEARSEY, as an Individual and for  
West Coast Settlements, LLC

APPROVED AS TO FORM AND CONTENT

Dated: May 30, 2025

By

RICHARD WEINTRAUB  
Counsel for West Coast Settlements, LLC and  
Benjamin Pearsey