

1 CLOTHILDE V. HEWLETT
Commissioner
2 MARY ANN SMITH
Deputy Commissioner
3 DANIEL P. O'DONNELL
Assistant Chief Counsel
4 RYAN CASSIDY (State Bar No. 340274)
5 Counsel
6 Department of Financial Protection and Innovation
2101 Arena Boulevard
7 Sacramento, CA 95834
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Attorneys for Complainant

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

11 In the Matter of:

CONSENT ORDER

12 THE COMMISSIONER OF FINANCIAL
13 PROTECTION AND INNOVATION,

14 Complainant,

15 v.

16 WEST COAST SETTLEMENTS, LLC and
17 JOHN MURATORE,

18 Respondents.

19 The Commissioner of Financial Protection and Innovation (Commissioner) and Respondents
20 West Coast Settlements LLC (West Coast) and John Muratore (Muratore (collectively, the
21 Respondents) enter into this Consent Order with respect to the following facts:

22 I. RECITALS

23 A. The Commissioner is authorized to administer and enforce the provisions of the Corporate
24 Securities Law of 1968 (CSL) (Cal. Corp. Code §§ 25000-25707) and the regulations promulgated
25 thereunder at title 10 of the California Code of Regulations, which include the licensure, examination,
26 and regulation of investment advisers and broker-dealers.

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1 B. At all relevant times therein, West Coast Settlements LLC (West Coast) is and was a
2 California limited liability company located at 17011 Beach Blvd, Suite 900, Huntington Beach,
3 California 92647.

4 C. At all relevant times, John Muratore (Muratore), is and was the managing member of West
5 Coast.

6 D. Between July 2019 through December 2021, Respondents offered and sold securities in the
7 form of membership interests in the Fund.

8 E. West Coast's Private Placement Memorandum (PPM) for these securities told investors and
9 prospective investors that West Coast would use the proceeds of its offering to acquire a Life
10 Settlement Portfolio of up to 30 individual Life Settlement Contracts. In addition, the PPM indicated
11 that the manager had broad discretion in the priority, timing, and allocation of funds raised from the
12 offering and was responsible for third party relationship management, due diligence, and monitoring
13 of the Fund's investments.

14 F. The securities were offered or sold in this state in issuer transactions. The Department of
15 Financial Protection and Innovation has not issued a permit or other form of qualification authorizing
16 any person to offer or sell these securities in this state and the securities are not exempt from
17 qualification.

18 G. Between July 2019 through December 2021, Respondents and their agents sold securities to at
19 least 102 investors, residing in California and elsewhere, in at least 102 separate transactions.
20 Respondents raised at least \$9,991,137.27 from investors.

21 H. Between July 2019 through December 2021, Muratore provided investment advisory services
22 to at least one client, West Coast, residing in California, collecting at least \$315,478.75 in
23 management fees.

24 I. At all relevant times, Muratore never held an investment adviser certificate, pursuant to
25 Corporations Code section 25230, nor was Muratore an investment adviser representative of any
26 licensed investment adviser at any time.

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1 J. The Commissioner finds this action is appropriate, in the public interest, is necessary for the
2 protection of investors, and is consistent with the purposes fairly intended by the policies and
3 procedures of the CSL.

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

6 **II. TERMS AND CONDITIONS**

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

10 2. Bar Order: Pursuant to Corporations Code section 25232.1 and 25232 (e), Muratore is
11 barred from any position of employment, management, or control of any investment adviser, broker-
12 dealer, or commodity adviser, any officer, director, partner, employee of, or person performing
13 similar functions for, an investment adviser, broker-dealer, or commodity adviser.

14 3. Desist and Refrain Order for Violations of Section 25110: Pursuant to Corporations
15 Code section 25532, West Coast and Muratore are ordered to desist and refrain from the further offer
16 and sale of securities in California, in violation of Corporations Code section 25110, unless and until
17 qualification has been made under the law or unless exempt.

18 4. Desist and Refrain Order for Violations of Section 25230: Pursuant to Corporations
19 Code section 25532, West Coast and Muratore are hereby ordered to desist and refrain from any
20 unlicensed investment adviser activities in violation of Corporations Code section 25230.

21 5. Waiver of Hearing Rights: West Coast and Muratore acknowledge that the
22 Commissioner is ready, willing, and able to proceed with the filing of an administrative enforcement
23 action on the charges contained in this Consent Order. West Coast and Muratore hereby waive the
24 right to any hearings, and to any reconsideration, appeal, or other right to review which may be
25 afforded pursuant to the CSL, the California Administrative Procedure Act, the California Code of
26 Civil Procedure, or any other provision of law. West Coast and Muratore further expressly waive any
27 requirement for the filing of an action pursuant to Government Code section 11415.60(b). By waiving
28 such rights, West Coast and Muratore effectively consent to this Consent Order and all the terms

1 becoming final.

2 6. Information Willfully Withheld or Misrepresented: This Consent Order may be
3 revoked, and the Commissioner may pursue any and all remedies available under law against West
4 Coast and Muratore if the Commissioner discovers that West Coast and Muratore knowingly or
5 willfully withheld or misrepresented information used for and relied upon in this Consent Order.

6 7. Future Actions by Commissioner: If West Coast and Muratore fail to comply with any
7 terms of the Consent Order, the Commissioner may institute proceedings for any and all violations
8 otherwise resolved under this Consent Order. The Commissioner reserves the right to bring any future
9 actions against West Coast and Muratore, for any and all unknown violations of the CSL or any other
10 law under the Commissioner’s jurisdiction.

11 8. Assisting Other Agencies: Nothing in this Consent Order limits the Commissioner’s
12 ability to assist any other government agency (whether city, county, state, or federal) with any
13 administrative, civil or criminal action brought by that agency against West Coast and Muratore or
14 any other person based upon any of the activities alleged in this matter or otherwise.

15 9. Headings: The headings to the paragraphs of this Consent Order are inserted for
16 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
17 the provisions hereof.

18 10. Binding: This Consent Order is binding on all heirs, assigns, and/or successors in
19 interest.

20 11. Reliance: Each of the Parties represents, warrants, and agrees that in executing this
21 Consent Order it has relied solely on the statements set forth herein and the advice of its own counsel.
22 Each of the Parties further represents, warrants, and agrees that in executing this Consent Order it has
23 placed no reliance on any statement, representation, or promise of any other party, or any other
24 person or entity not expressly set forth herein, or upon the failure of any party or any other person or
25 entity to make any statement, representation or disclosure of anything whatsoever. The Parties have
26 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to
27 execute this Consent Order; and (2) to preclude the introduction of parol evidence to vary, interpret,
28 supplement, or contradict the terms of this Consent Order.

1 12. Waiver, Amendments, and Modifications: No waiver, amendment, or modification of
2 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.
3 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
4 provision. No waiver by either party of any breach of, or of compliance with, any condition or
5 provision of this Consent Order by the other party will be considered a waiver of any other condition
6 or provision or of the same condition or provision at another time.

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

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

17 15. Counterparts: This Consent Order may be executed in one or more separate
18 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
19 together constitute a single document.

20 16. Effect Upon Future Proceedings: If West Coast and Muratore apply for any license,
21 certificate, registration, permit, or qualification under the Commissioner’s current or future
22 jurisdiction, or is the subject of any future action by the Commissioner to enforce this Consent Order,
23 then the subject matter hereof shall be admitted for the purpose of such application(s) or enforcement
24 proceeding(s).

25 17. Voluntary Agreement: West Coast and Muratore enters into this Consent Order
26 voluntarily and without coercion and acknowledges that no promises, threats or assurances have been
27 made by the Commissioner or any officer, or agent thereof, about this Consent Order. The Parties

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1 each represent and acknowledge that he, she or it is executing this Consent Order completely
2 voluntarily and without any duress or undue influence of any kind from any source.

3 18. Notice: Any notice required under this Consent Order shall be provided to each party
4 at the following addresses:

5 To West Coast and Muratore: Richard Weintraub
6 Weintraub Law Group PC
7 10085 Carroll Canyon Rd, Suite 230
8 San Diego, California 92131
9 rick@weintraublawgroup.com

and

10 John Muratore, as an individual and authorized agent
11 For West Coast Settlements LLC
12 20311 Beam Circle
13 Huntington Beach, California 92646

14 To the Commissioner: Ryan M. Cassidy, Counsel
15 Department of Financial Protection and Innovation
16 2101 Arena Boulevard
17 Sacramento, California 95834
18 Ryan.Cassidy@dfpi.ca.gov

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

21 20. Public Record: West Coast and Muratore hereby acknowledge that this Consent Order
22 is and will be a matter of public record.

23 21. Effective Date: This Consent Order shall become final and effective when signed by
24 all Parties and delivered by the Commissioner’s agent via e-mail to West Coast and Muratore’s agent,
25 Richard Weintraub, counsel for West Coast and Muratore, at rick@weintraublawgroup.com.

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1 22. Authority to Sign: Each signatory hereto covenants that he/she possesses all necessary
2 capacity and authority to sign and enter into this Consent Order and undertake the obligations set
3 forth herein.

4 Dated: August 14, 2024
5 Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner
Department of Financial Protection and Innovation



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7 By _____
8 MARY ANN SMITH
9 Deputy Commissioner
Enforcement Division

10 Dated: August 12, 2024

11 By _____
12 JOHN MURATORE, as an individual and Managing
Member of West Coast Settlements LLC

13 APPROVED AS TO FORM AND CONTENT

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15 Dated: August 12, 2024

16 By _____
17 Richard Weintraub
18 Weintraub Law Group PC
19 Counsel for WEST COAST SETTLEMENTS, LLC
20 and JOHN MURATORE
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