

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**STATE OF CALIFORNIA**  
**BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**  
**DEPARTMENT OF BUSINESS OVERSIGHT**

**TO: Earl Anderson Brown**  
**335 Riviera Drive**  
**Costa Mesa, CA 92627**

**DESIST AND REFRAIN ORDER**  
**(For violations of sections 25110 and 25210 of the Corporate Securities Law of 1968)**

The California Commissioner of Business Oversight finds that:

1. At all relevant times, Earl Anderson Brown (hereinafter, "Brown"), a natural person, was a resident of California.
2. Brown holds a license with the California Department of Insurance for Life-Only and Accident and Health with an expiration date of February 28, 2015: license number 0E71238.
3. Beginning in or about October, 2008, and continuing through May, 2009, Brown offered and/or sold securities in the State of California in the form of Life Settlements for a Texas company named Life Partners, LLC (hereinafter, "Life Partners"). These securities were offered in issuer transactions. The Life Settlement securities were neither qualified under 25110 *et seq.* of the Corporate Securities Law of 1968 (hereinafter, "CSL")<sup>1</sup>, nor exempt from the qualification requirement.
5. Brown offered and/or sold the above-described securities to more than five California investors, for a total of over \$1,000,000.00.
6. During all relevant time periods, Brown did not have a valid broker-dealer certificate issued by the Department of Business Oversight (formerly the Department of Corporations) or the United

<sup>1</sup> The Corporate Securities Act of 1968 is found at California Corporations Code section 25000 *et seq.*

1 States Securities and Exchange Commission. Rather, Life Partners provided him with a Life Partners  
2 “License” to sell its securities as an independent contractor.

3 Based upon the foregoing findings, the California Commissioner of Business Oversight is of  
4 the opinion that the securities offered and sold by Brown in the form of Life Partners’ Life  
5 Settlements are securities subject to qualification under the CSL and are being or have been offered  
6 or sold without being qualified in violation of section 25110 of the CSL. Pursuant to section 25532  
7 of the CSL, Brown is hereby ordered to desist and refrain from the further offer or sale in the State of  
8 California of securities, including but not limited to Life Settlements offered and sold through Life  
9 Partners, LLC and its Master Licensees, until qualification has been made under the law, unless  
10 exempt.

11 Further, based upon the foregoing findings, the California Commissioner of Business  
12 Oversight is of the opinion that Brown has effected transactions in securities as a broker-dealer  
13 without having first applied for and secured from the Commissioner a certificate authorizing him to  
14 act in that capacity, in violation of section 25210 of the CSL. Pursuant to section 25532 of the CSL,  
15 Brown is hereby ordered to desist and refrain from effecting any transaction in, or inducing or  
16 attempting to induce the purchase or sale of, any security in this state, unless he has applied for and  
17 secured from the Commissioner a certificate, then in effect, authorizing him to act in that capacity,  
18 unless exempt.

19 This Order is necessary, in the public interest, for the protection of investors and consistent  
20 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

21 DATED: February 27, 2014  
22 Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

23  
24 By: \_\_\_\_\_  
25 MARY ANN SMITH  
26 Deputy Commissioner  
27 Enforcement Division  
28