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

**TO: Fanny Waifun Chan**  
1455 Monterey Pass Road, #204  
Monterey Park, CA 91754

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

The California Commissioner of Business Oversight finds that:

1. At all relevant times, Fanny Waifun Chan (hereinafter, “Chan”), a natural person, was a resident of California.
2. Chan holds a license with the California Department of Insurance for Life-Only, Accident and Health, and Fire and Casualty with an expiration date of October 31, 2014: license number 0E61345.
3. Chan is registered with FINRA: CRD number 2051689. However, Chan has no history of employment with any licensed securities broker dealers.
4. Beginning in or about April, 2009, until October, 2009, Chan offered 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. Chan offered and/or sold the above-described securities to more than five California investors, for a total of over \$400,000.00.
6. During all relevant time periods, Chan did not have a valid broker-dealer certificate issued by the California Department of Business Oversight (formerly, the Department of Corporations) or the

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

1 United States Securities and Exchange Commission. Rather, Life Partners provided her with a Life  
2 Partners “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 Chan in the form of Life Partners’ Life Settlements  
5 are securities subject to qualification under the California Corporate Securities Law of 1968 and are  
6 being or have been offered or sold without being qualified in violation of section 25110 of the CSL.  
7 Pursuant to section 25532 of the CSL, Chan is hereby ordered to desist and refrain from the further  
8 offer or sale in the State of California of securities, including but not limited to Life Settlements  
9 offered and sold through Life Partners, LLC and its Master Licensees, until qualification has been  
10 made under the law, unless exempt.

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

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

20 DATED: February 27, 2014  
21 Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

22  
23 By: \_\_\_\_\_  
24 MARY ANN SMITH  
25 Deputy Commissioner  
26 Enforcement Division  
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