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

**TO: Terrance J. Fitch**  
6547 Manzano Street  
Chino, CA 91710

**DESIST AND REFRAIN ORDER**  
**(For violations of section 25110 and 25210 of the Corporations Code)**

The California Commissioner OF Business Oversight finds that:

1. At all relevant times, Terrance J. Fitch (hereinafter, "Fitch"), a natural person, was a resident of California.
2. Fitch 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 0F56124.
3. Fitch is also registered as an investment advisor with FINRA: CRD number 5709821. However, he has never been employed by any licensed security broker dealers at any time.
4. Beginning in or about December, 2008, through September, 2012, Fitch 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 section 25110 et seq. of the California Corporate Securities Law of 1968 (hereinafter, "CSL")<sup>1</sup>, nor exempt from the qualification requirement.
5. Fitch offered and/or sold the above-described securities to more than 10 California investors, for a total of over \$1,500,000.00.

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

1 6. During all relevant time periods, Fitch did not have a valid broker-dealer certificate issued by  
2 the California Department of Business Oversight (formerly the Department of Corporations) or the  
3 United States Securities and Exchange Commission. Rather, Life Partners provided him with a Life  
4 Partners “License” and license number to sell their securities as an independent contractor - - possibly  
5 through American Safe Retirements - - one of several Master Licensee/pass-through entities who has  
6 also been “Licensed” by Life Partners.

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

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

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

DATED: February 27, 2014  
Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

By: \_\_\_\_\_  
MARY ANN SMITH  
Deputy Commissioner  
Enforcement Division