

DEPARTMENT OF BUSINESS OVERSIGHT*Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****MEDIA RELEASE****For Immediate Release**

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California Department of Business Oversight Enters Into Settlement Awarding \$17.4 Million in Restitution to Investors

Sacramento, CA (March 11, 2014) – The Department of Business Oversight has entered into a settlement agreement with Saxe-Coburg Insurance Solutions, LLC; Michelle Kenen Seward; Dror Soref; and Scott Walter Foulk (the Defendants). The agreement resolves the Department’s civil action alleging the offer and sale of unqualified securities in violation of state law. The Defendants did not admit or deny the allegations in the complaint but agreed to the Court’s entry of a permanent injunction prohibiting future violations of the law and will repay investors \$17.4 million.

“The Department aggressively enforces financial services laws to protect investors and gain restitution for those who have been wronged,” said Commissioner Jan Lynn Owen. “This settlement is a significant achievement on behalf of investors.”

The case against the Defendants began in September 2012 with a civil complaint filed in Los Angeles County Superior Court. The Department alleged in its complaint that the Defendants violated state corporate securities law by offering and selling more than \$23 million in unqualified, non-exempt securities, including “bridge” loans and promissory notes, to approximately 200 California senior investors in order to finance a film production. To view public filings related to this matter visit the Department’s website at: <http://www.dbo.ca.gov/ENF/List/P/ProtegeFinancialInsuranceServices.asp>.

The Department encourages consumers to check the licensing status and enforcement history of a financial company or professional prior to making an important financial decision. Investors who believe they may be affected by the settlement should contact the Department of Business Oversight at (866) 275-2677 or visit www.dbo.ca.gov.

On July 1, 2013, the Department of Corporations and the Department of Financial Institutions merged to become the Department of Business Oversight. California consumers should contact the Department of Business Oversight to check on the licensing and standing of the companies, investments or other financial services they are considering at www.dbo.ca.gov or by calling 1-866-275-2677.

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