

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING) Order No.: S-12-1060-14-CO02
5 whether there has been a violation of the)
6 Securities Act of Washington by:) CONSENT ORDER AS TO RONALD NEWMAN;
7 Ronald Newman; Jeffrey Scott Hollingsworth;) MILESTONE LIFE SETTLEMENT FUND, LLC;
8 Milestone Life Settlement Fund, LLC; Milestone) MILESTONE INVESTMENTS USA, LLC; AND
9 Investments USA, LLC; and Milestone) MILESTONE MULTIFAMILY FUND, LLC
10 Multifamily Fund, LLC;)

11 Respondents.

12 **INTRODUCTION**

13 On November 18, 2013, the Securities Administrator of the State of Washington issued Statement of Charges
14 and Notice of Intent to Enter Order to Cease and Desist, to Impose Fines, to Charge Costs, and to Deny Future
15 Registrations (Statement of Charges) S-12-1060-13-SC01 against Respondents Ronald Newman; Jeffrey Scott
16 Hollingsworth; Milestone Life Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily
17 Fund, LLC.

18 The Securities Division, Department of Financial Institutions, State of Washington, and Respondents Ronald
19 Newman; Milestone Life Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund,
20 LLC enter into this Consent Order to settle the matters set forth in the Statement of Charges.

21 The Securities Division has in Statement of Charges S-12-1060-13-SC01 made certain allegations and
22 conclusions, set forth under the headings "Tentative Findings of Fact," and "Conclusions of Law." Respondents
23 Ronald Newman; Milestone Life Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone
24 Multifamily Fund, LLC neither admit nor deny the Tentative Findings of Fact and Conclusions of Law, which are
25 incorporated by reference into this Consent Order.

26 **CONSENT ORDER**

27 Based upon the foregoing and finding it in the public interest:

28 IT IS AGREED AND ORDERED that Respondents Ronald Newman and Milestone Investments USA, LLC,
29 as well as their agents and employees, each shall cease and desist from violating RCW 21.20.040

1 IT IS FURTHER AGREED AND ORDERED that Respondents Ronald Newman; Milestone Life Settlement
2 Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC, as well as their agents and
3 employees, each shall cease and desist from violating RCW 21.20.140.

4 IT IS AGREED AND ORDERED that Respondents Ronald Newman; Milestone Life Settlement Fund, LLC;
5 Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC, as well as their agents and employees,
6 each shall cease and desist from violating RCW 21.20.010.

7 IT IS FURTHER AGREED AND ORDERED that Respondents Ronald Newman; Milestone Life Settlement
8 Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC shall be jointly and severally
9 liable for and shall pay the Securities Division of the Department of Financial Institutions part of the costs and other
10 expenses incurred in this investigation in the amount of \$8,000.

11 IT IS FURTHER AGREED AND ORDERED that Respondents Ronald Newman; Milestone Life Settlement
12 Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC shall be jointly and severally
13 liable for and shall pay the Securities Division of the Department of Financial Institutions a fine in the amount of
14 \$9,000.

15 IT IS FURTHER AGREED AND ORDERED that the payment of these costs and fines as described above
16 shall be made as follows: Respondents Ronald Newman; Milestone Life Settlement Fund, LLC; Milestone
17 Investments USA, LLC; and Milestone Multifamily Fund, LLC shall pay the Securities Division \$8,000 in costs prior
18 to the entry of the Consent Order, with the payment of \$9,000 in fines due by close of business on November 14,
19 2014.

20 IT IS FURTHER AGREED AND ORDERED that if Respondents Ronald Newman; Milestone Life
21 Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC fail to make the
22 \$9,000 payment in fines as provided above, the amount shall become immediately due and payable, and the Securities
23 Division of the Department of Financial Institutions may seek enforcement of this Consent Order pursuant to RCW
24 21.20.395.

25 IT IS FURTHER AGREED AND ORDERED that, except in any action by the Securities Division of the
Washington State Department of Financial Institutions, this Consent Order may neither be deemed nor used as an
admission of or evidence of any fault, omission, or liability of Respondents Ronald Newman; Milestone Life
Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC and their
successors in any civil, criminal, arbitration, or administrative proceeding.

IT IS FURTHER AGREED that the Securities Division of the Department of Financial Institutions has
jurisdiction to enter this Consent Order.

1 IT IS FURTHER AGREED that Respondents Ronald Newman; Milestone Life Settlement Fund, LLC;
2 Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC enter into this Consent Order freely and
3 voluntarily and with full understanding of its terms and significance.

4 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents Ronald Newman; Milestone
5 Life Settlement Fund, LLC; Milestone Investments USA, LLC; and Milestone Multifamily Fund, LLC each waive
6 their right to a hearing and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05 RCW.

7 WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

8 Signed this 26th day of August 2014.

9 Signed by:

10 Milestone Life Settlement Fund, LLC

11 _____/s/_____
12 Ronald Newman as principal of Milestone Life Settlement Fund, LLC

13 Signed by:

14 Milestone Investments USA, LLC

15 _____/s/_____
16 Ronald Newman as principal of Milestone Investments USA, LLC

17 Signed by:

18 Milestone Multifamily Fund, LLC

19 _____/s/_____
20 Ronald Newman as principal of Milestone Multifamily Fund, LLC

21 Signed by:

22 _____/s/_____
23

1 Ronald Newman, Individually

2 Approved as to form by:

3 _____/s/_____
4 George Bonini, Attorney for Respondents
5 WSBA #28521

6
7 SIGNED and ENTERED this ____5th____ day of _____September_____ 2014.
8

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11 _____
12 William M. Beatty
13 Securities Administrator

14 Approved by:

15 

16 _____
17 Suzanne Sarason
18 Chief of Enforcement

19 Presented by:

20 

21 _____
22 Eric Palosaari
23 Financial Legal Examiner

24 Reviewed by:

25 

Jack McClellan
Financial Legal Examiner Supervisor