

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83606/ July 9, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18577

In the Matter of

ANDREW B CALHOUN JR.,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE
PROCEEDINGS, MAKING
FINDINGS AND IMPOSING
REMEDIAL SANCTIONS
PURSUANT TO SECTION 15(b) OF
THE SECURITIES EXCHANGE
ACT OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Respondent Andrew B Calhoun Jr. (“Respondent” of “Calhoun”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraphs B.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings, Making Findings, and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Respondent was a sales agent for Pacific West Capital Group, Inc. ("Pacific West"), since 2006. He has been licensed in California as a life insurance agent since 2006. Calhoun has never been registered with the Commission in any capacity or held any securities licenses. Calhoun, 72 years old, is a resident of Anderson, South Carolina.

2. On June 26, 2018, a final judgment was entered by consent against Calhoun, permanently enjoining him from future violations of Section 5 of the Securities Act of 1933 ("Securities Act"), and Section 15(a) of the Exchange Act in the civil action entitled *Securities and Exchange Commission v. Pacific West Capital Group, Inc., et al.*, Civil Action Number 2:15-cv-02563-FMO (FFMx), in the United States District Court for the Central District of California.

3. The Commission's complaint alleged that beginning in 2006, Calhoun had been a sales agent for Pacific West and was involved in the offer and sale of securities in the form of life settlements. The complaint further alleged that, in connection with the offer and sale of securities in the form of life settlements, since at least 2012, Pacific West perpetrated a scheme to defraud investors by using money received from investors from the sale of new life settlements to pay premiums on life settlements sold years earlier which had not matured and had exhausted "premium reserves" created by Pacific West. Pacific West engaged in this conduct to create the false appearance that the life settlements they structured and sold had minimal risk and would pay off within the expected period. In addition, Pacific West misrepresented the risk that investors would have to make future, out-of-pocket payments to keep the policies in force, and failed to disclose material information about the increased amount of future premiums. Pacific West also misled investors about their likely annual returns and falsely represented to investors that their investments had nothing to do with Pacific West's efforts and fortunes. The securities were not registered, and Pacific West and Calhoun were not registered as brokers or dealers, or associated with registered brokers or dealers, during the offering.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Calhoun's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Calhoun be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary