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FOR IMMEDIATE RELEASE
Date: May 31, 2012

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ATTORNEY GENERAL ANNOUNCES RETIRED POLICE OFFICER PLEADS GUILTY TO SECURITIES FRAUD

Carson City, NV – Nevada Attorney General Catherine Cortez Masto announced that Lawrence Foster, 42, a retired Las Vegas Metropolitan police officer, pled guilty today to felony securities fraud in connection with defrauding at least 8 known victims out of more than \$414,000.

“Mr. Foster’s financial fraud scheme devastated the lives of innocent victims,” said Attorney General Catherine Cortez Masto.

Foster faces a maximum sentence of 20 years imprisonment when he is sentenced by Judge Valorie Vega on August 2, 2012. As a result of his guilty plea, Foster will be ordered to pay restitution to his victims, some of whom are Las Vegas Metropolitan police officers with whom Foster worked.

Foster sold investment contracts in a company he formed called West Coast Management, LLC by misrepresenting that invested funds would be used to purchase structured settlements and annuities at a discount. He misled investors to believe their investments were safe by pledging mutual fund accounts he did not own as security for the investments. Instead of using the funds he obtained from investors for business purposes, Foster squandered investors’ money on personal expenditures without his victims’ authorization or knowledge.

The case is being prosecuted by Deputy Attorneys General Adriana Escobar and Jeffrey Segal. The criminal investigation was conducted by Secretary of State Ross Miller’s Securities Division.

Consumers who believe they have been defrauded in a securities fraud scheme can file complaints with Secretary of State Ross Miller’s Office at <http://nvsos.gov/index.aspx?page=193> or 702-486-2440.

Read the [amended indictment here](#) and the [guilty plea agreement here](#).



FOSTER, LAWRENCE

(Photo courtesy of Las Vegas Metropolitan Police Department)

###

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11 Deputy Attorney General
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16 Office of the Attorney General
17 555 East Washington Ave., Ste. 3900
18 Las Vegas, Nevada 89101
19 Attorney for State of Nevada

FILED IN OPEN COURT
STEVEN D. GRIERSON
CLERK OF THE COURT

MAY 11 2012
COPY
BY: [Signature]
NORA PEÑA, DEPUTY

11 **DISTRICT COURT**
12 **CLARK COUNTY, STATE OF NEVADA**

13 THE STATE OF NEVADA,

14 Plaintiff,

15 vs.

16
17 LAWRENCE FOSTER, #08099408, d/b/a
18 WEST COAST MANAGEMENT, LLC and/or
19 WORLD GROUP SECURITIES, INC.,

20 Defendant.

Case No.: C-11-278159-1
Dept. No.: II

21 **GUILTY PLEA AGREEMENT**

22 The undersigned, CATHERINE CORTEZ MASTO, Attorney General of the State of
23 Nevada, through her deputies, JEFFREY H. SEGAL and ADRIANA ESCOBAR, and
24 **LAWRENCE FOSTER**, with his attorney HARMONY T. LETIZIA, ESQ. hereby file this Guilty
25 Plea Agreement

26 I, **LAWRENCE FOSTER**, plead guilty to one (1) count of **SECURITIES FRAUD**, a
27 Category B Felony, in violation of NRS 90.570 and NRS 90.650, as set forth in Count I of the
28 Amended Indictment.

Attorney General's Office
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1 My decision to plead guilty is based upon the following plea agreement:

2 1. That I, **LAWRENCE FOSTER**, agree to enter a guilty plea to one (1) count of
3 **SECURITIES FRAUD**, a Category B Felony, in violation of NRS 90.570 and NRS 90.650, as
4 more fully alleged in the Amended Indictment, attached hereto as Exhibit "1", and incorporated
5 by reference. The State shall reserve the right to argue for any sentence authorized by law.

6 2. That I, **LAWRENCE FOSTER**, agree to waive all objections as to form and content
7 of the Amended Indictment;

8 3. That I, **LAWRENCE FOSTER**, understand and agree that Plaintiff, State of
9 Nevada, shall retain the right to argue for any sentence authorized by law.

10 4. That I, **LAWRENCE FOSTER**, will pay all fees and costs imposed by the court,
11 including restitution to the following victims in the following amounts:

George Doty	\$80,400.00
Julia Ann Dziegelewski	\$92,540.00
Valarie Vanario	\$71,000.00
Shawn James Thomas	\$49,000.00
Andrew Tedesco	\$75,000.00
Connie Gandulla	\$10,000.00
Jage Larch	\$16,500.00
Dempsey Lauderdale	\$20,000.00
TOTAL	<hr/> \$414,440.00

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19 5. That I, **LAWRENCE FOSTER**, will pay investigative costs and/or prosecutorial fees
20 in the amount of \$20,528.75 to the Nevada Secretary of State's Office.

21 6. That I, **LAWRENCE FOSTER**, shall sign a confession of judgment for any amount
22 that remains due and owing under the terms of this agreement at the end of my parole or
23 probation.

24 7. That I, **LAWRENCE FOSTER**, agree not to maintain employment, either personally
25 or through employees or agents for that purpose, in the area of securities or financial services
26 industries.

27 8. That I, **LAWRENCE FOSTER**, agree that if I fail to appear for any hearings or court
28 dates prior to sentencing or if I commit a new criminal offense prior to sentencing then State has

1 the right to withdraw this offer and proceed to trial.

2 9. That I, **LAWRENCE FOSTER**, will abide by all terms and conditions of probation if
3 probation is granted;

4 10. The State agrees that it shall forego prosecution against **LAWRENCE FOSTER** on
5 all other counts charged in the Indictment filed in this matter and will not oppose dismissal of
6 those counts with prejudice upon sentencing. Moreover, that in consideration of **LAWRENCE**
7 **FOSTER'S** agreement to pay restitution to Valarie Vanario in the amount of \$71,000.00, the
8 State agrees to forego prosecution against **LAWRENCE FOSTER** for uncharged offenses
9 against Valarie Vanario related to transactions that occurred on or about 1/15/2008, 4/5/2008,
10 7/1/2008, and 11/1/2008.

11 11. Pursuant to NRS 176.015(3) victims so desiring will be allowed to make impact
12 statements.

13 CONSEQUENCES OF THE PLEA

14 I, **LAWRENCE FOSTER**, understand that by pleading guilty, I admit the facts which
15 support all the elements of Count One to which I now plead guilty as set forth in Exhibit "1".

16 I understand that as a consequence of my guilty plea to Count 1 of the Amended
17 Indictment, (attached hereto as "1" and incorporated by reference), a Category B Felony, I may
18 be punished by imprisonment in the state prison for a minimum term of not less than 1 year and
19 a maximum term of not more than 20 years, and by a fine of not more than \$500,000 or by both
20 fine and imprisonment.

21 I understand that the law requires me to pay an administrative assessment fee of \$25.00.
22 I understand that I am eligible for probation for the offense to which I am a pleading guilty. I
23 further understand that, except as otherwise provided by statute, the question of whether I
24 receive probation is in the discretion of the sentencing judge.

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28 ///

1 I understand that as a consequence of my plea of guilty, if I am not a citizen of the United
2 States, I may, in addition to other consequences provided for by federal law, be removed,
3 deported, excluded from entry into the United States or denied naturalization.

4 I have not been promised or guaranteed any particular sentence by anyone. I know that
5 my sentence is to be determined by the court within the limits prescribed by statute. I
6 understand that if my attorney or the State of Nevada or both recommend any specific
7 punishment to the court, the court is not obligated to accept the recommendation.

8 WAIVER OF RIGHTS

9 By entering my guilty plea, I, **LAWRENCE FOSTER**, understand that I have waived the
10 following rights and privileges:

11 1. The constitutional privilege against self-incrimination, including the right to refuse to
12 testify at trial, in which event the prosecution would not be allowed to comment to the jury about
13 my refusal to testify.

14 2. The constitutional right to a speedy and public trial by an impartial jury, free of
15 excessive pretrial publicity prejudicial to the defense, at which trial I would be entitled to the
16 assistance of an attorney, either appointed or retained. At trial, the state would bear the burden
17 of proving beyond a reasonable doubt each element of the offense charged.

18 3. The constitutional right to confront and cross-examine any witnesses who would
19 testify against me.

20 4. The constitutional right to subpoena witnesses to testify on my behalf.

21 5. The constitutional right to testify in my own defense.

22 6. The right to appeal the conviction, with the assistance of an attorney, either
23 appointed or retained, unless the appeal is based upon reasonable constitutional, jurisdictional
24 or other grounds that challenge the legality of the proceedings and except as otherwise provided
25 in subsection 3 of NRS 174.035.

26 VOLUNTARINESS OF PLEA

27 I, **LAWRENCE FOSTER**, have discussed the elements of all the original charges against
28 me with my attorney, Harmony T. Letizia, Esq., and I understand the nature of these charges

1 against me.

2 I understand that the State of Nevada would have to prove each element of the charges
3 against me at trial.

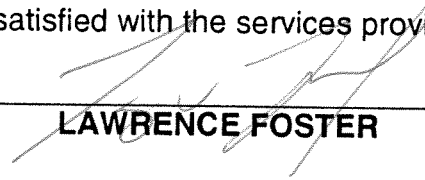
4 I have discussed with my attorney any possible defenses and circumstances which might
5 be in my favor.

6 All of the foregoing elements, consequences, rights and waiver of rights have been
7 thoroughly explained to me by my attorney, Harmony T. Letizia, Esq., and I believe that pleading
8 guilty and accepting this plea bargain is in my best interest and that a trial would be contrary to
9 my best interest.

10 I am signing this agreement voluntarily, after consultation with my attorney and I am not
11 acting under duress or coercion or by virtue of any promises of leniency, except for those set
12 forth in this agreement.

13 I am not now under the influence of intoxicating liquor, a controlled substance or other
14 drug which would in any manner impair my ability to comprehend or understand this agreement
15 or the proceedings surrounding my entry of this plea.

16 My attorney has answered all questions regarding this Guilty Plea Agreement and its
17 consequences to my satisfaction and I am satisfied with the services provided by my attorney.



LAWRENCE FOSTER

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VERIFICATION OF COUNSEL

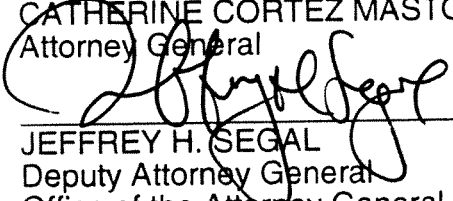
I have reviewed this matter and I concur that the disposition delineated above is a true and accurate representation of the negotiations entered into and agreed to by myself on behalf of the State of Nevada with the Defendant, **LAWRENCE FOSTER**, and his attorney, Harmony T. Letizia, Esq.

Agreed to on this 30 day of May, 2012.

SUBMITTED BY:

CATHERINE CORTEZ MASTO
Attorney General

By:


JEFFREY H. SEGAL
Deputy Attorney General
Office of the Attorney General
Nevada Bar No. 005491
555 E. Washington Avenue, #3900
Las Vegas, Nevada 89101
702-486-3420 ph / 702-486-3130
Attorneys for Plaintiff, State of Nevada

CERTIFICATE OF DEFENSE COUNSEL

I, the undersigned, as the attorney for the defendant, **LAWRENCE FOSTER** and as an officer of the court hereby certify that:

1. I have fully explained to **LAWRENCE FOSTER** the allegations contained in the charges to which the guilty plea is being entered.

2. I have advised **LAWRENCE FOSTER** of the penalties for each charge and the restitution that the Defendant may be ordered to pay.

3. I have advised **LAWRENCE FOSTER** of the possible consequence provided for by federal law if he is not a citizen of the United States.

4. All pleas of guilty offered by the Defendant, **LAWRENCE FOSTER** pursuant to this agreement are consistent with all the facts known to me and are made with my advice to **LAWRENCE FOSTER** and are in the best interest of **LAWRENCE FOSTER**, who:

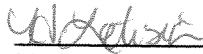
(a) Is competent and understands the charges and the consequences of pleading guilty as provided in this agreement.

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1 (b) Executed this agreement and will enter all guilty pleas pursuant hereto
2 voluntarily.

3 (c) Was not under the influence of intoxicating liquor, a controlled substance or
4 other drug at the time of the execution of this agreement.

5 DATED this 31 day of May, 2012.

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9 HARMONY LETIZIA, ESQ.
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EXHIBIT 1”

1 **AIND**
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3 Attorney General
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19 Attorney for State of Nevada
20
21

12 **DISTRICT COURT**
13 **CLARK COUNTY, STATE OF NEVADA**

15 THE STATE OF NEVADA,

16 Plaintiff,

17 vs.

18 LAWRENCE FOSTER, #08099408, d/b/a
19 WEST COAST MANAGEMENT, LLC and/or
20 WORLD GROUP SECURITIES, INC.,

21 Defendant.

Case No.: C-11-278159-1
Dept. No.: II

22 **AMENDED INDICTMENT**

23 The undersigned, CATHERINE CORTEZ MASTO, Attorney General of the State of
24 Nevada, by and through her deputies, Adriana Escobar and Jeffrey Segal, under penalty of
25 perjury, and within their knowledge and upon information and belief, complains and charges
26 the above named Defendant, **LAWRENCE FOSTER d/b/a WEST COAST MANAGEMENT**
27 **LLC and/or WORLD GROUP SECURITIES, INC.** (hereinafter "FOSTER"), with having
28 committed the crime of one (1) Count of **SECURITIES FRAUD**, a category B felony in

1 violation of NRS 90.570. The above-described act alleged herein has been committed on or
2 about January 20, 2009, by the above-named Defendant, within the County of Clark, State of
3 Nevada, in the following manner:

4 **COUNT I**

5 **SECURITIES FRAUD**

6 **(A Category B Felony – NRS 90.570)**

7 That Defendant, **FOSTER**, in Clark County, State of Nevada, did willfully, unlawfully,
8 and feloniously in connection with the offer to sell, sale, offer to purchase or purchase of a
9 security, employ any device, scheme or artifice to defraud, and/or make an untrue statement
10 of a material fact or omit to state a material fact necessary in order to make the statements
11 made not misleading in the light of the circumstances under which they are made, and/or
12 engage in an act, practice, or course of business which operates or would operate as a fraud
13 or deceit upon a person, to wit: That on or about January 20, 2009, **FOSTER** offered to sell
14 and/or sold a security in the form of investment loan agreement, (investment contract), a
15 security pursuant to NRS 90.295, to Andrew Tedesco (hereinafter, "Tedesco") for the amount
16 of \$30,000.00, and in so doing **FOSTER** utilized one or more of the following
17 misrepresentations, omissions, and/or acts or practices which were fraudulent:

18 **UNTRUE STATEMENTS OF MATERIAL FACT**

- 19 • **FOSTER** showed Tedesco a list of Transamerica IDEX funds 771, 773, 737,
20 727, 728, 732, 736 and 733 that he claimed to own and would use as collateral.
21 The list of Transamerica funds was not owned by **FOSTER** himself, instead it
22 was owned by a client of **FOSTER'S** and did not serve as collateral for
23 Tedesco's investment.
- 24 • **FOSTER** provided a "Full Rights to Agreement between West Coast
25 Management LLC By: Lawrence **FOSTER**, President and client 09-006."
26 **FOSTER** told Tedesco that West Coast Management was already up and
27 running, that the company was already making money from its operations and
28 that **FOSTER** was making so much money from West coast each month that he

1 would not take his full payment from the company and instead allowing it to
2 accumulate by "rolling it over", had other investors, that the invested money
3 would be used to purchase the structured settlements. **FOSTER** did not inform
4 Tedesco that West Coast Management was in essence a sham used to procure
5 his investment.

- 6 • **FOSTER** told Tedesco that his investments were safe because he had enough
7 personal assets to protect Tedesco if **FOSTER** defaulted. **FOSTER** did not
8 possess sufficient personal assets to protect Tedesco's investment.
- 9 • **FOSTER** told Tedesco that profits would be made through the
10 companies/projects **FOSTER** invested Tedesco's money in. **FOSTER** did not
11 invest Tedesco's money. Profits paid to Tedesco were not from any such
12 investments.

13 OMISSIONS OF MATERIAL FACTS

- 14 • **FOSTER** omitted to inform Tedesco of the true risks associated with his
15 investments.
- 16 • **FOSTER** omitted to inform Tedesco that the investment he was selling to him
17 was not approved by World Group Securities, Inc. (hereinafter "World Group"),
18 and that selling such securities would be a violation of World Group's Policy and
19 a violation of FINRA Rules.
- 20 • **FOSTER** failed to inform Tedesco that he intended to use the money he
21 invested in part to pay for his personal expenses.

22 FRAUDULENT SCHEME, ARTIFICE, OR ACTS

- 23 • **FOSTER** maintained the artifice that he sold securities on behalf of WEST COAST
24 MANAGEMENT, LLC (hereinafter "West Coast") an investment company when in
25 fact it was a not a profitable and/or established company and/or the sale of said
26 securities was authorized by World Group, a successful investment company,
27 when in fact it was a an investment scheme.

28 ///

1 These actions by **FOSTER** constitute the crime of Securities Fraud, a Category B
2 Felony in violation of NRS 90.570.

3 All of which is contrary to the form of the statute in such cases made and provided, and
4 against the peace and dignity of the State of Nevada. Furthermore, Complainant makes this
5 declaration upon information and belief and subject to the penalty of perjury.

6 Dated this 30 day of May, 2012.

8 SUBMITTED BY:

9 CATHERINE CORTEZ MASTO

10 Attorney General

11 By:

12 JEFFREY H. SIEGAL
13 Deputy Attorney General
14 Nevada Bar No. 005491
15 ADRIANA ESCOBAR
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19 Attorney for State of Nevada

FILED IN OPEN COURT
STEVEN D. GRIERSON
CLERK OF THE COURT
MAY 31 2010
BY _____
NORA PEÑA, DEPUTY

Sentencing
8-2
9:00

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CLARK COUNTY, STATE OF NEVADA

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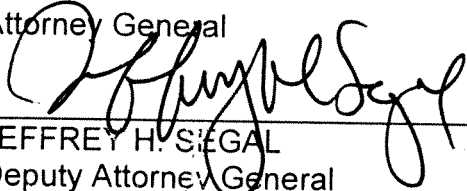
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6 Dated this 30 day of May, 2012.

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10 Attorney General

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21 Attorneys for Plaintiff, State of Nevada

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