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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation
of the Securities Act of Washington by
Aspen Trails Ranch, LLC and Richard G. Bowen,
Respondents

Order Number S-07-007-07-CO01

CONSENT ORDER

INTRODUCTION

Pursuant to the Securities Act of Washington, ch. 21.20 RCW, the Securities Division of the Department of Financial Institutions (“Securities Division”) and Respondents, Aspen Trails Ranch, LLC and Richard G. Bowen, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondents each acknowledge the Securities Division’s authority to enter this Order and agree to the entry of the Order. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law set forth in the Order. The Securities Administrator finds as follows:

FINDINGS OF FACT

Respondents

1. Aspen Trails Ranch, LLC (“Aspen Trails”) is a Montana limited liability company. It was formed on December 9, 2004. The company’s primary purpose was to purchase a ranch and to develop a residential subdivision near Helena, Montana.

2. Richard G. Bowen (“Bowen”) is a Washington resident. He is the managing member of Aspen Trails Ranch, LLC.

1 **Nature of the Offering**

2 3. From August 2005 through November 2005, Respondents, Aspen Trails and Bowen, each offered
3 and sold \$875,000 worth of Aspen Trails limited liability company memberships to twelve investors, seven
4 of whom were Washington residents. The investor funds were to be pooled together to purchase a 268-acre
5 ranch and to develop a 325-lot residential subdivision for a profit. As the developer of, and an investor in,
6 the Aspen Trails project, Bowen expected to share in the profit from the sale of the project. The investors
7 were not active participants in the management of Aspen Trails and they were relying on the efforts of
8 Bowen to provide a return on their investment.

9 **Misrepresentations and Omissions**

10 4. When offering and selling Aspen Trails limited liability company interests, Respondents, Aspen
11 Trails and Bowen, each represented to some investors that they would be “guaranteed” a doubling of their
12 investment within five years. Respondents each failed to disclose a reasonable expected annualized return
13 on investment and Respondents each failed to disclose that there was no source to guarantee any repayment
14 to investors.

15 5. When offering and selling Aspen Trails limited liability company interests, Respondents, Aspen
16 Trails and Bowen, each failed to disclose significant risks of the investment. Respondents failed to give
17 investors any financial statements for Aspen Trails. Respondents failed to provide investors with reasonable
18 estimates of the infrastructure costs to improve the real property. Respondents failed to disclose the risk
19 that, in the course of developing the property, real property development lawsuits might be filed against the
20 project and that, as a result, the project might be delayed. Respondents failed to disclose that the
21 investments were not liquid investments and that there was no established market to resell the limited
22 liability company interests.

1 Based upon the above Findings of Fact, the following Conclusions of Law are made:

2 **CONCLUSIONS OF LAW**

3 **I.**

4 The offer and/or sale of the investments described above constitutes the offer and/or sale of a
5 security, as defined in RCW 21.20.005(10) and (12), in the form of an investment contract or risk capital.

6 **II.**

7 The offer and/or sale of said securities was made in violation of RCW 21.20.010 because, when
8 offering or selling the securities, Respondents each made untrue statements of material fact or omitted to
9 state material facts necessary in order to make the statements made, in the light of the circumstances under
10 which they were made, not misleading.

11 **CONSENT ORDER**

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

13 IT IS AGREED AND ORDERED that Respondents, Aspen Trails Ranch, LLC and Richard G.
14 Bowen, and their agents and employees each shall cease and desist from offering or selling securities in
15 violation of RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

16 IT IS FURTHER AGREED AND ORDERED that Respondent, Richard G. Bowen, shall pay
17 investigative costs of \$2,000 to the Securities Division prior to the entry of this Order.

18 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Order.

19 IT IS FURTHER AGREED that in consideration of the foregoing, Respondents, Aspen Trails
20 Ranch, LLC and Richard G. Bowen, each waive their rights to a hearing in this matter and to judicial
21 review of this order.

22 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

23 CONSENT ORDER

1 SIGNED this 26th day of November, 2007

2
3 Approved for entry by:

4 /s/ Marlo DeLange _____
5 Marlo De Lange, WSBA #27080
6 Attorney for Respondents

7 Signed by:
8 Aspen Trails Ranch, LLC

9
10 By /s/ Richard G. Bowen _____
11 Richard G. Bowen, Managing Member

12 Signed by:
13
14 /s/ Richard G. Bowen _____
15 Richard G. Bowen, individually

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17 SIGNED and ENTERED this 29th day of November, 2007

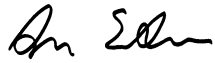
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21 MICHAEL E. STEVENSON
22 Securities Administrator

23 CONSENT ORDER

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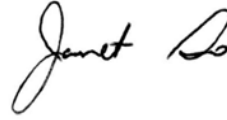
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Approved by:



Suzanne E. Sarason
Chief of Compliance

Presented by:



Janet So
Financial Legal Examiner

CONSENT ORDER