

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

4 IN THE MATTER OF DETERMINING) Order Number S-08-367-09-SC01
5 Whether there has been a violation of the)
6 Securities Act of Washington by:) STATEMENT OF CHARGES AND
7 DOUGLAS E. BRENTON,) NOTICE OF INTENT TO ENTER AN
8 Respondent) ORDER TO CEASE AND DESIST
9)

10 THE STATE OF WASHINGTON TO: Douglas Brenton

11 **STATEMENT OF CHARGES**

12 Please take notice that the Securities Administrator of the State of Washington has reason
13 to believe that Respondent, Douglas E. Brenton, has violated the Securities Act of Washington
14 and that his violations justify the entry of an order of the Securities Administrator under RCW
15 21.20.390 to cease and desist from such violations. The Securities Administrator finds as
16 follows:
17

18 **TENTATIVE FINDINGS OF FACT**

19 Respondent and Related Company

- 20 1. Douglas E. Brenton ("Brenton") is a resident of Vancouver, Washington.
21 2. Brentwood Investments, LLC ("Brentwood") is a Washington limited liability
22 company that was formed by Brenton on July 1, 2004 and was operated and managed by
23 Brenton. Brentwood was in the business of remodeling and reselling houses for a profit.
24 Brentwood made a Regulation D, Rule 506 filing with the Washington Securities Division on
25 August 2, 2004 for a \$2,000,000 offering of limited liability company membership interests.

1 property was \$486,400 and had the investor known about the \$440,000 second position deed of
2 trust, the investor would never have invested with Brenton.

3 Based upon the Tentative Findings of Fact, the following Conclusions of Law are made:
4

5 **CONCLUSIONS OF LAW**

6 1. The offer and sale of the investment described above constitutes the offer and sale of a
7 security, as defined in RCW 21.20.005(10) and (12), whether in the form of a note, an
8 investment contract, or an evidence of indebtedness.

9 2. The offer and sale of said security was made in violation of RCW 21.20.010 because
10 when offering and selling the security, Respondent, Brenton, made untrue statements of
11 material fact or omitted to state material facts necessary in order to make the statements made,
12 in the light of the circumstances under which they were made, not misleading.
13

14 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

15 Pursuant to RCW 21.20.390(1), and based on the above Tentative Findings of Fact and
16 Conclusions of Law, the Securities Administrator intends to order that Respondent, Douglas E.
17 Brenton, and his agents and employees, each shall cease and desist from any violation of RCW
18 21.20.010.
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20 **AUTHORITY AND PROCEDURE**

21 This Statement of Charges is entered pursuant to the provisions of chapter 21.20 RCW
22 and is subject to the provisions of chapter 34.05 RCW. The respondent, Douglas E. Brenton,
23 may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
24 DEFEND AND OPPORTUNITY FOR HEARING accompanying this order.
25

1 If the respondent fails to make a timely hearing request, the Securities Administrator
2 intends to adopt the above Tentative Findings of Fact and Conclusions of Law as final and to
3 enter a permanent order to cease and desist against the respondent.
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5 Dated and Entered this 8th day of September, 2009
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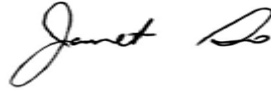
8 MICHAEL E. STEVENSON
9 Securities Administrator

10 Approved by:

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12 Suzanne E. Sarason
13 Chief of Enforcement
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Presented by:

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16 Janet So
17 Financial Legal Examiner
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Reviewed by:

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20 Martin Cordell
21 Financial Legal Examiner Supervisor
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