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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:

Wishbone Properties; Golden Age Planning, Inc.;  
Jerry King; their employees and agents,

Respondents

SDO – 34 (A) - 00

SUMMARY ORDER TO CEASE AND DESIST

Case No. 99-05-0137

THE STATE OF WASHINGTON TO:

Wishbone Properties; Golden Age Planning, Inc.;  
and Jerry King

**STATEMENT OF CHARGES**

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, Wishbone Properties, Golden Age Planning, Inc., and Jerry King have violated the Securities Act of Washington and that their violations justify the entry of an order of the Securities Administrator under RCW 21.20.390 to cease and desist from such violations. The Securities Administrator finds that delay in ordering the Respondents to cease and desist from such violations would be hazardous to the investors and to the public and that a Summary Order to Cease and Desist should be entered immediately. The Securities Administrator finds as follows:

SUMMARY ORDER TO CEASE AND  
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**TENTATIVE FINDINGS OF FACT**

**Parties**

I.

Jerry King is the owner and principal of Wishbone Properties, that represents itself as a real estate investment company whose last known business address is 126 Logan Ave South, Renton WA 98055-2426.

II.

Jerry King is the owner and principal of Golden Age Planning, Inc., that represents itself a retirement planning and consulting business whose last known business address is 126 Logan Ave South, Renton WA 98055-2426.

**Sale of Notes**

III.

From 1991 through 1999, Respondents acting in concert and on behalf of one another solicited prospective Washington residents to invest in investment notes of Wishbone Properties. Respondents offered these investors above market interest rate returns on the notes and promised to secure the notes with a deed of trust. Respondents contacted a number of the investors through a solicitation by Golden Age Planning that offered a free seminar on estate planning services. Jerry King subsequently approached many attendees at the seminars about the prospect of making investments in real estate and investments in notes to be issued by Wishbone Properties. The notes were purported to be secured by a deed of trust on property at 126 Logan Ave South, Renton WA that was owned by Jerry King. Jerry King told investors that their money

1 was to be invested in a variety of real estate ventures, including an Arizona recreational real estate  
2 development project. At least 30 investors invested in promissory notes issued by Respondents in amounts  
3 ranging from several thousand dollars to in excess of \$100,000 and the total face value of notes sold by  
4 Respondents exceeded \$1,000,000.

5  
6 **Fraud in the Offer and Sale of Securities**

7 **IV.**

8 Respondents, acting in concert and on behalf of each other and acting through their principal Jerry  
9 King, misrepresented to certain investors that their investment notes would be fully secured by a deed of  
10 trust on the property located at 126 Logan Ave South, Renton WA. King had previously encumbered the  
11 property with prior deeds of trust issued to other parties or investors and, as a result, there was insufficient  
12 equity in the property to adequately secure the notes in the event of default by Respondents King or  
13 Wishbone. King misrepresented to investors that their money was to be invested in real estate projects when  
14 in fact he did not make such investments, but used the money for personal and unrelated purposes, that  
15 included the repayment of prior note investors. King failed to disclose material facts to investors in  
16 connection with offer and sale of the notes, including, but not limited to: failure to disclose the material risks  
17 of the investment, failure to adequately disclose how the investors' money was to be used, and failure to  
18 adequately disclose the financial condition of the Respondents, including the failure to provide a financial  
19 statement of any kind.  
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1 **Unregistered Securities**

2 V.

3 Wishbone Properties is not currently registered to offer or sell investment notes or securities of any  
4 kind in the state of Washington, and has not previously been so registered.

5  
6 **Unregistered Broker-Dealer/Securities Salesperson**

7 VI.

8 Wishbone Properties; Golden Age Planning, Inc.; and Jerry King are not currently registered under  
9 the Securities Act of Washington as a broker-dealer or securities salesperson in the state of Washington and  
10 have not previously been so registered.

11  
12 **Harm to Public**

13 VII.

14 The Securities Administrator finds that the continued offering of Wishbone Properties investment  
15 notes in the manner described in Tentative Finding of Fact I through VI, presents a threat to the investing  
16 public.

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

18 **CONCLUSIONS OF LAW**

19 I.

20 The offer and/or sale of the Wishbone Properties investment notes as described above constitutes the  
21 offer and/or sale of a security as defined in RCW 21.20.005(10) and (12), to wit: a note; evidence of  
22 indebtedness; an investment contract; and/or risk capital.

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II.

The offer and/or sale of said securities was made in violation of RCW 21.20.010, the anti-fraud provisions of the Securities Act because Respondents misrepresented and failed to disclose to investors material facts as set forth above in Paragraphs I through IV of the Tentative Findings of Fact.

III.

The offer and/or sale of said securities are in violation of RCW 21.20.140 because no registration for such offer and/or sale is on file with the Administrator of Securities of the state of Washington.

IV.

Wishbone Properties; Golden Age Planning, Inc.; and Jerry King have violated RCW 21.20.040 by offering and/or selling said securities while not appropriately registered as a broker-dealer or securities salesperson in the state of Washington.

The Securities Administrator finds that an emergency exists, that the continued violations of RCW 21.20.010, RCW 21.20.040 and RCW 21.20.140 constitute a threat to the investing public, and that a summary order to cease and desist from those violations are in the public interest and necessary for the protection of the investing public.

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**SUMMARY ORDER**

Based on the foregoing, NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED That Respondents Wishbone Properties; Golden Age Planning, Inc.; and Jerry King each cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.010.

Based on the foregoing, NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED That Respondents Wishbone Properties; Golden Age Planning, Inc.; and Jerry King each cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.140.

Based on the foregoing, NOW, THEREFORE, IT IS HEREBY SUMMARILY ORDERED That Respondents Wishbone Properties; Golden Age Planning, Inc.; and Jerry King cease and desist from offering and/or selling securities in any manner in violation of RCW 21.20.040.

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**AUTHORITY AND PROCEDURE**

This Order is entered pursuant to the provisions of RCW 21.20.390 and is subject to the provisions of Chapter 34.05 RCW. The Respondents may each make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this order. A hearing request should be made in writing and sent to Deborah R. Bortner, Securities Administrator, Department of Financial Institutions, P.O. Box 9033, Olympia WA 98507-9033 to the attention of Martin Cordell. If a respondent does not request a hearing, the Securities Administrator intends to adopt the Tentative Findings of Fact and Conclusions

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SUMMARY ORDER TO CEASE AND  
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of Law as final and make the Summary Order to Cease and Desist permanent as to that respondent.

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

DATED this \_\_\_\_\_ day of March, 2000.

\_\_\_\_\_  
DEBORAH R. BORTNER  
Securities Administrator

Reviewed by:

Presented by:

\_\_\_\_\_  
MICHAEL STEVENSON  
Chief of Compliance

\_\_\_\_\_  
MARTIN CORDELL  
Securities Examiner

SUMMARY ORDER TO CEASE AND  
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