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3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCE AND CORPORATE SECURITIES

6 BEFORE THE DIRECTOR OF THE DEPARTMENT
7 OF CONSUMER AND BUSINESS SERVICES

8 In the Matter of

Case No. S-12-0031-2

9 Webster E. Barth III,

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER DENYING
USE OF EXEMPTIONS TO THE
SECURITIES REGISTRATION
REQUIREMENTS, AND FINAL
ORDER ASSESSING CIVIL
PENALTY ENTERED BY DEFAULT

10 Respondent.

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12 On May 8, 2012, the Director of the Department of Consumer and Business
13 Services for the State of Oregon (hereinafter, "the Director"), acting by the authority of
14 the Oregon Securities Law, Oregon Revised Statutes ("ORS") chapter 59, issued
15 Administrative Order S-12-0031-2, ORDER TO CEASE AND DESIST, ORDER
16 DENYING USE OF EXEMPTIONS TO THE SECURITIES REGISTRATION
17 REQUIREMENTS, PROPOSED ORDER ASSESSING CIVIL PENALTY AND
18 NOTICE OF RIGHT TO AN ADMINISTRATIVE HEARING ("Proposed Order") to
19 Webster E. Barth III ("Barth").

20 On or about May 10, 2012, Barth was duly served with a true copy of the Proposed
21 Order mailed by the State of Oregon, Division of Finance and Corporate Securities
22 ("DFCS"), by certified United States Mail, postage prepaid, sent to: Webster E. Barth III,
23 4569 157th Avenue SE, Bellevue, WA 98006 (Certified Mail Item No. 7008 1830 0003
24 3147 4410).

25 Barth has received notice of the proposed administrative action by the Division and
26 has not made a written request for an administrative hearing in this matter. The time to



1 request an administrative hearing has now expired.

2 NOW THEREFORE, after consideration of the file in this matter maintained by
3 the Oregon Department of Consumer and Business Services, including any materials that
4 Barth may have submitted, the Director hereby issues the following Findings of Fact,
5 Conclusions of Law and Final Orders.

6
7 FINDINGS OF FACT

8 The Director FINDS that:

9 1. Webster E. Barth III (“Barth”) was, at all times material to this matter, a
10 resident of the State of Washington.

11 2. Stephen W. Finley (“Finley”) was, at all times material to this matter, a resident
12 of the State of Oregon.

13 3. Raging River Corporation (“RRC”) was, at all times material to this matter, a
14 Nevada business corporation. According to the Nevada Secretary of State records, RRC
15 had business offices located at 5190 Neil Road, Suite 430, Reno, Nevada 89502. Barth
16 was, at all times material to this matter, corporation president and a director. The
17 company was revoked by the Nevada Secretary of State on February 28, 2011.

18 4. At all times material to this matter, the individual identified hereinafter as
19 “JCM” was an Oregon resident.

20 5. Finley and JCM were acquainted prior to October 2009 having met socially. In
21 October 2009, Finley approached JCM to invest in RRC. After initially declining to
22 invest, JCM agreed to purchase a \$13,000 promissory note from Barth. The terms of the
23 note, dated November 18, 2009, required Barth to repay JCM \$13,000 in principal and
24 \$7,000 in interest by December 18, 2009. As additional consideration for making the
25 transaction, Barth agreed to transfer to JCM 20,000 shares of common stock in RRC
26 owned by Barth and Barth promised to assign as collateral 100,000 shares of common





1 stock in another company owned by Barth.

2 6. JCM wrote a check made out to Finley for the purchase of the promissory
3 note. Finley cashed the check and kept \$2,000 as his commission and passed the
4 remaining \$11,000 to Barth.

5 7. Barth failed to pay the promissory note on December 18, 2009 or anytime
6 since. Barth did convey 25,000 shares of RRC common stock to JCM, but did not assign
7 the 100,000 shares of other stock to JCM.

8 8. The promissory note offered and sold by Barth to JCM was not registered with
9 the Director for sale in Oregon pursuant to ORS chapter 59.

10
11 CONCLUSIONS OF LAW

12 9. The promissory note issued by Barth to JCM on November 18, 2009 is a
13 security as defined by ORS 59.015(19)(a).

14 10. The promissory note offering was not registered with the Director pursuant to
15 ORS 59.055.

16
17 ORDERS

18 The Director issues the following ORDERS:

19 *Final Order to Cease and Desist*

20 11. Pursuant to ORS 59.245, the Director hereby ORDERS Respondent Barth to
21 CEASE AND DESIST from:

22 A. Offering or selling unregistered securities in the State of Oregon, in violation of
23 the Oregon Securities Law;

24 B. Transacting business in Oregon as a securities salesperson without a license in
25 violation of the Oregon Securities Law; and

26 C. Violating any provision of the Oregon Securities Law, ORS chapter 59, or



1 Oregon Administrative Rules chapter 441.

2 *Final Order Denying Use of Exemptions to the*
3 *Securities Registration Requirements*

4 12. Pursuant to the authority of ORS 59.045, the Director ORDERS that
5 Respondent Barth be DENIED the use of exemptions to the securities registration
6 requirements that would otherwise be available to him under ORS 59.025 and ORS
7 59.035, other than ORS 59.025 (4), until further order of the Director.

8 *Final Order Assessing Civil Penalty*

9 13. Pursuant to the authority of ORS 59.995, the Director may assess a CIVIL
10 PENALTY in any amount determined by the Director of not more than \$20,000 for each
11 violation of ORS chapter 59. Pursuant to this provision, the Director hereby ORDERS
12 Respondent Barth to pay a CIVIL PENALTY in the amount of \$20,000 (twenty thousand
13 dollars) for offering and selling a security, the promissory note offering, that was not
14 registered with the Director pursuant to ORS 59.055.

15 14. The entry of these Orders in no way limits further remedies which may be
16 available to the Director under Oregon law.

17 IT IS SO ORDERED.

18 Dated this 27th day of August, 2012 at Salem, Oregon,

19 NUNC PRO TUNC May 8, 2012.

20 PATRICK M. ALLEN, Director
21 Department of Consumer and Business Services

22 /s/ David Tatman
23 David C. Tatman, Administrator
24 Division of Finance and Corporate Securities

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