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DISTRICT COURT  
MAGISTRATE DIVISION  
BONNEVILLE COUNTY, IDAHO  
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**IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR BONNEVILLE COUNTY**

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, SECURITIES BUREAU,

Plaintiff,

vs.

KEITH FARRELL RASMUSSEN,  
individually and dba GABLES  
MANAGEMENT, LLC,

Defendant.

Case No. CV 13-154

**STIPULATION AND CONSENT TO ENTRY  
OF JUDGMENT AND PERMANENT  
INJUNCTION**

Plaintiff, the State of Idaho, Department of Finance (“Department”), and Defendant, Keith Farrell Rasmussen (“Rasmussen”), have agreed to entry of judgment against said Defendant, pursuant to the following stipulation. The Department and Rasmussen request this Court to enter judgment in the form and substance set forth in the Stipulated Judgment and Permanent Injunction (“Judgment”) filed concurrently herewith. In the event the Judgment is not entered pursuant to this Stipulation, this Stipulation shall be of no effect whatever, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding.

By signing and entering into this Stipulation, Rasmussen waives his rights to a hearing and/or trial on the alleged violations in the Complaint.

### **PLAINTIFF'S ALLEGATIONS**

The Department alleges that Rasmussen solicited investors to invest in securities in an approximate aggregate amount of at least five hundred fifty thousand dollars (\$550,000). These securities were in the form of promissory notes and investment contracts.

Investors believed that the money provided to Rasmussen would be used to develop and run future assisted living facilities and that their money would be guaranteed by a first security interest in the properties. Rasmussen essentially treated the funds he received as personal assets and used the money for personal needs, for business needs as he saw them, and to repay previous investors. Additionally, Rasmussen withheld important information from potential investors that, had they known the truth, might not have invested.

The Department alleges that Rasmussen violated the antifraud sections of Idaho's Uniform Securities Act by misrepresenting the investment and by omitting material information from the investor solicitations. Rasmussen also engaged in a course of business that operated as a fraud or deceit upon other persons. Additionally, Rasmussen failed to register these securities and failed to register as a securities broker-dealer or agent, as required by law.

### **STIPULATION**

The Department and Defendant Keith Farrell Rasmussen, individually and dba Gables Management, LLC, hereby stipulate and agree as follows:

1. Pursuant to Idaho Code § 30-14-603, Rasmussen agrees to the following:

a. Rasmussen neither admits nor denies that he made material misrepresentations to Idaho investors and omitted to state material facts to Idaho investors, in violation of the anti-fraud provisions of Idaho Code § 30-14-501(2);

b. Rasmussen neither admits nor denies that he engaged in conduct in connection with the offer, sale and purchase of securities which operated as a fraud or deceit upon investors or prospective investors, in violation of Idaho Code § 30-14-501(3) as to each victim.

c. That Rasmussen understands and concedes that certain evidence exists which could cause a reasonable juror to agree with the Department's allegations above and concedes and acknowledges the likelihood that the Plaintiff could establish and prove violations of the registration and anti-fraud provisions of Idaho's Uniform Securities Act. Nevertheless, for the purpose of resolving this litigation, Rasmussen neither admits nor denies the Department's allegations herein.

d. That Rasmussen issued, sold or offered for sale in Idaho securities in the form of promissory notes and investment contracts. Such securities were not registered with the Department as required by Idaho Code § 30-14-301. Defendant's failure to register such securities with the Department violated Idaho Code § 30-14-301.

e. That Rasmussen transacted business in Idaho as a broker-dealer and was not registered as a broker-dealer with the Department as required by Idaho Code § 30-14-401(a). Rasmussen's failure to register as a broker-dealer with the Department violated Idaho Code § 30-14-401.

2. That the Department take judgment against Rasmussen in the amount of two hundred ninety-five thousand dollars (\$295,000).

3. That Rasmussen consents to the Court's entry of the Judgment filed concurrently herewith, permanently barring Rasmussen from any future violations of Idaho's Uniform Securities Act and from selling or offering for sale securities in any form in the state of Idaho.

4. The Department shall not be required to provide Rasmussen notice of, nor shall Rasmussen object to, any request for a renewal of the Judgment, filed concurrently herewith, under Idaho Code § 10-1111.

5. Rasmussen waives any applicable statutes of limitation.

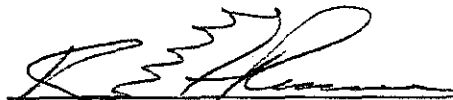
6. Rasmussen agrees to bear his own attorney fees and costs in this action.

7. The Department agrees to the following:

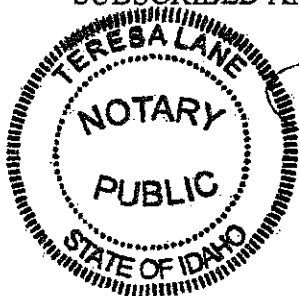
a. That Counts One through Four of the Complaint and the actions giving rise to Counts One through Four are merged into this Stipulation and the associated Judgment, and the terms of this Stipulation and the associated Judgment shall be the Department's sole remedy for the violations giving rise to the Complaint.

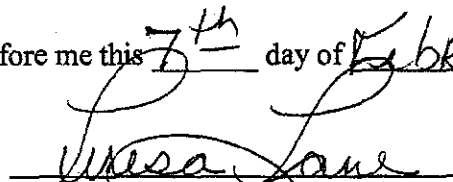
b. The Department agrees to forgo any claim for costs, attorney fees, and reimbursement for investigative efforts in this action pursuant to Idaho Code § 30-14-603(b)(2)(C).

DATED this 7 day of FEB, 2014.

  
\_\_\_\_\_  
Keith Jarrell Rasmussen  
Defendant

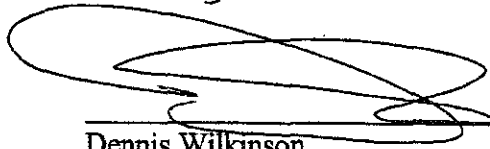
SUBSCRIBED AND SWORN to before me this 7<sup>th</sup> day of February, 2014.




  
\_\_\_\_\_  
Teresa Lane  
Notary Public  
Residing at: Idaho Falls  
My Comm. Exp.: 11/1/18

APPROVED AS TO FORM AND CONTENT.

DATED this 7 day of February, 2014.

  
Dennis Wilkinson  
THOMPSON SMITH, WOOLF & ANDERSON  
Counsel for Defendant

DATED this 7<sup>th</sup> day of February, 2014.

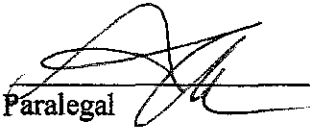
  
Marilyn T. Chastain  
Securities Bureau Chief  
State of Idaho, Department of Finance

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 7<sup>th</sup> day of February, 2014, I served a true and correct copy of the foregoing STIPULATION AND CONSENT TO ENTRY OF JUDGMENT AND PERMANENT INJUNCTION upon the following by the designated means:

Dennis Wilkinson  
THOMPSON SMITH, WOOLF &  
ANDERSON  
PO Box 50160  
Idaho Falls, ID 83405

U.S. Mail, postage prepaid  
 Certified mail  
 Facsimile: 208-525-5266  
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Paralegal