

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

4 IN THE MATTER OF DETERMING
5 Whether there has been a violation
6 of the Securities Act of Washington by Resource
7 Development International, LLC securities
8 salespersons:

9 James Eugene Edwards; David Eugene Edwards;
10 Steve Wayne Bastrom; Earl Hubert Dangelmaier;
11 Edward Morris Harris; Larry Paul Johnson;
12 Thomas Mark Krabbenhoft; Richard Albert
13 Labadie; Sharyn Kae Meenderinck; William
14 Joseph Slaney; and James Ronald Smith;

15 Respondents.

Order No.: S-00-050-05-CO07

CONSENT ORDER AS TO JAMES RONALD
SMITH

16 INTRODUCTION

17 On April 14, 2005, the Securities Division, Department of Financial Institutions, State of
18 Washington (the "Securities Division"), issued Statement of Charges S-00-050-05-SC01 (hereinafter
19 referred to as the "Statement of Charges") against Respondents James Eugene Edwards, David Eugene
20 Edwards, Steve Wayne Bastrom, Earl Hubert Dangelmaier, Edward Morris Harris, Larry Paul
21 Johnson, Thomas Mark Krabbenhoft, Richard Albert Labadie, Sharyn Kae Meenderinck, William
22 Joseph Slaney, and James Ronald Smith. Pursuant to the Securities Act of Washington, RCW 21.20,
23 the Securities Division and Respondent James Ronald Smith do hereby enter into this Consent Order in
24 settlement of the above captioned matter. In the Statement of Charges, the Securities Division made
25 certain allegations and conclusions, set forth under the headings "Tentative Findings of Fact" and
26 "Conclusions of Law." Respondent James Ronald Smith neither admits nor denies the Tentative
Findings of Fact and Conclusions of Law, which are incorporated by reference into this Consent Order.

CONSENT ORDER AS TO JAMES RONALD
SMITH

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Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9300
360-902-8760

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2 CONSENT ORDER

3 Based upon the foregoing,

4 IT IS AGREED AND ORDERED that James Ronald Smith shall cease and desist from
5 violation of RCW 21.20.010, the anti-fraud section of the Securities Act of Washington.

6 IT IS FURTHER AGREED AND ORDERED that James Ronald Smith shall cease and desist
7 from violation of RCW 21.20.040, the salesperson registration provision of the Securities Act of
8 Washington.

9 IT IS FURTHER AGREED AND ORDERED that James Ronald Smith shall cease and desist
10 from violation of RCW 21.20.140, the securities registration provision of the Securities Act of
11 Washington.

12 IT IS FURTHER AGREED AND ORDERED that James Ronald Smith shall not make
13 application for nor be granted a broker-dealer, investment adviser, securities salesperson, or investment
14 adviser representative license from the date of entry of this Consent Order by the Securities
15 Administrator.

16 IT IS FURTHER AGREED AND ORDERED that James Ronald Smith shall be subject to a
17 fine in the amount of Thirty Thousand Dollars (\$30,000.00), of which the entire amount shall be
18 suspended based upon James Ronald Smith's future compliance with this Consent Order. In the event
19 this Consent Order is violated, the Securities Division will seek enforcement of the Consent Order
20 including, but not limited to payment of the fine, pursuant to RCW 21.20.395.

21 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent
22 Order.

23 In consideration of the foregoing, James Ronald Smith waives his right to a hearing on this
24 matter and to judicial review of this matter pursuant to RCW 21.20.440 and Chapter 34.05 RCW.

25 CONSENT ORDER AS TO JAMES RONALD
SMITH

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Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9300
360-902-8760

1 SIGNED this 19th day of September, 2005.

2 Signed by:

3 _____/s/ James Ronald Smith_____
4 James Ronald Smith

5 THIS ORDER DATED AND ENTERED THIS 22nd DAY OF September, 2005 BY:

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Michael E. Stevenson

MICHAEL STEVENSON
Securities Administrator

Approved by:

Martin Cordell

Martin Cordell
Chief of Enforcement

Presented by:

Dylan Waits

Dylan Waits
Financial Legal Examiner