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EJIKE E OKPA II
MEMBER

IN THE MATTER OF §
TRUE BULLION, LLC D/B/A GOLD SILVER §
INTERNATIONAL EXCHANGE D/B/A GSI §
EXCHANGE AND ANTHONY ALLEN ANDERSON §

Order No. ENF-23-CDO-1875

TRUE BULLION, LLC D/B/A GOLD SILVER INTERNATIONAL EXCHANGE D/B/A GSI EXCHANGE is being served by certified mail, return receipt requested, addressed to 26635 West Agoura Road, Suite 220, Calabasas, California 91302; 3838 Oak Lawn Avenue, Suite 1000, Dallas, Texas 75219; and 4440 PGA Boulevard, Suite 600, Palm Beach Gardens, Florida 33410.

ANTHONY ALLEN ANDERSON is being served by certified mail, return receipt requested, addressed to 26635 West Agoura Road, Suite 220, Calabasas, California 91302; 3838 Oak Lawn Avenue, Suite 1000, Dallas, Texas 75219; and 4440 PGA Boulevard, Suite 600, Palm Beach Gardens, Florida 33410.

CONSENT ORDER

Be it remembered that True Bullion, LLC d/b/a Gold Silver International Exchange d/b/a GSI Exchange ("GSI") and Anthony Allen Anderson (collectively "Respondents") appeared before the Securities Commissioner of Texas and consented to the entry of this Consent Order (the "Order") and the Findings of Fact, Conclusions of Law, and Order contained herein.

I. PRELIMINARY STATEMENT

1. This Consent Order is entered into by The Texas State Securities Board (the "TSSB") with True Bullion, LLC, and Anthony Allen Anderson with respect to investigations led by Alabama, Arkansas, and Texas and inquiries by other states into whether Respondents engaged in acts or practices that violated the Act.

2. True Bullion, LLC is a Delaware limited liability company originally organized on August 8, 2014, with business offices located at: 26635 West Agoura Road, Suite 220, Calabasas, California 91302; 3838 Oak Lawn Avenue, Suite 1000, Dallas, Texas 75219; and 4440 PGA Boulevard, Suite 600, Palm Beach Gardens, Florida 33410. True Bullion, LLC, has transacted business as Gold Silver International Exchange and GSI Exchange. Hereinafter, True Bullion, LLC, Gold Silver International Exchange, and GSI Exchange will collectively be referred to as "GSI."

3. Anthony Allen Anderson is an individual who is a Senior Partner of GSI.
4. Three of the states that have conducted inquiries – Alabama, Texas, and Arkansas – have entered Cease and Desist Orders (“C&D Orders”) against Respondents.
5. Respondents have cooperated in the inquiries and have agreed to resolve the matter with Alabama, Arkansas, Texas and other states (the “Participating States”).
6. Respondents, without admitting or denying the Findings of Fact and Conclusions of Law contained herein, voluntarily consent to the entry of this Order, effective September 15, 2023.

II. JURISDICTION

7. The TSSB has jurisdiction over matters relating to securities pursuant to the Securities Act, Tex. Gov’t Code §§ 4001.001-4008.105 (the “Act”),
8. This Order is entered in accordance with the Act and the Administrative Procedure Act, Tex. Gov’t Code Ann. §§ 2001.001-2001.903 (the “APA”).
9. The acts and practices that are the subject of the TSSB’s investigation occurred while Respondents were conducting business in Texas.
10. The TSSB find this Order is in the public interest and represent that they have the authority to enter the following:

II. FINDINGS OF FACT

11. Respondents waived (a) their right to notice and hearing in this matter, (b) their right to appear and present evidence in this matter, (c) their right to appeal this order and (d) all other procedural rights granted by the Act and the APA.
12. On or about August 18, 2014, GSI was organized as limited liability company with the state of Delaware, Division of Corporations.
13. Since GSI’s organization, Respondents have sold precious metals to 43 residents of Texas.
14. Respondents have not been registered as either a dealer, agent, investment adviser, investment adviser representative, or other relevant equivalent in Texas, and based upon GSI’s representations regarding the current nature of its operations as set forth in the Compliance Plan submitted to the Participating State, Texas does not contend they are required to be registered.
15. The C&D Orders allege in summary as follows:
 - a. GSI is an independent retailer of precious metals, including, but not limited to, gold and silver bars, rounds, and coins, and during the time period set

forth herein, solicited senior citizens and other persons in the Participating States to purchase precious metals.

- b. GSI advertised to prospective precious-metals customers through its publicly available website, gsiexchange.com, and through cold calls and targeted mail.
 - c. GSI advised prospective and current customers in the Participating States to protect their investments by liquidating certain securities holdings and using the proceeds to open self-directed individual retirement accounts (“IRAs”) to purchase precious metals from or purchase and take direct possession of precious metals from GSI. In many cases, GSI advised customers on the process of liquidating securities and directly contacted certain broker-dealers and investment advisers on behalf of its customers to facilitate the liquidation.
 - d. While advising customers in the Participating States, GSI did not disclose risks inherent in liquidating securities to purchase precious metals, but instead made various unverified claims regarding the reliability and safety of, and protection afforded through precious-metals investments as opposed to traditional securities and claimed precious metals would safeguard wealth.
 - e. When communicating with customers, GSI overstated the amount of risk involved with continuing to hold securities in traditional investment accounts and failed to disclose the amount of a mark-up or spread that GSI would charge, the risks involved with purchasing GSI’s offerings, and the fact that GSI and its employees were not registered to transact business in the Participating States as an investment adviser or as investment adviser representatives.
 - f. Through the above-referenced activity, GSI attracted more than 450 clients from 44 states, and their transactions involved more than \$32 million.
16. Respondents have claimed a number of defenses and exemptions particular to each of the Participating States’ Relevant Laws.
17. As part of the resolution of this matter, Respondents have submitted a comprehensive Compliance Plan and proposal to the Participating States, which is designed to ensure that Respondents will not provide securities advice in the future, will be transparent in all aspects of their business activities with customers, and will otherwise abide by the Participating States’ Relevant Laws. In determining to issue this Consent Order, Texas considered Respondents’ agreement to offer rescission and implement the Compliance Plan, and their provision of substantial and timely cooperation to the Participating States.
18. As described herein, this Order is dismissing and replacing Emergency Cease and Desist Order ENF-21-CDO-1844. Upon entry of this Order, the Enforcement Division of the TSSB shall move to dismiss SOAH Docket No. 312-21-2937 from the State Office of Administrative Hearings.

III. CONCLUSIONS OF LAW

1. The Act makes it unlawful for a person to transact business in Texas as an investment adviser or investment adviser representative unless such person is registered under Sections 4004.052 and 4004.102, respectively, of the Act.
2. As set forth in Section 4001.058 of the Act, the Act makes it unlawful for any person who receives consideration for advising a person as to the value of securities or their purchase or sale, to misrepresent a relevant fact or intentionally fail to disclose a material fact in connection with the rendering of investment advice.
3. To the extent Respondents have engaged in such conduct described in the C&D Orders within Texas, their conduct falls within the Relevant Laws.
4. Implementation of the Compliance Plan, along with the refunds to be offered under this Order in lieu of a fine or penalty, will serve as a tool to prevent potential future violations of the Relevant Laws.
5. Under the circumstances, this Order is appropriate and in the public interest.
6. The foregoing Findings of Fact and Conclusions of Law constitute sufficient bases for Texas to resolve the subject matter of their inquiries regarding Respondents' offer and sale of precious metals and any potential violations of the Act in Texas.

IV. ORDER

On the basis of the Findings of Fact, Conclusions of Law, and with the Respondents' consent to the entry of this Order, **IT IS HEREBY ORDERED:**

1. That this Order concludes the inquiry by Texas and any other possible related action that could be brought or remedy sought under Relevant Laws as it relates to the substance of the Findings of Fact and Conclusions of Law herein, provided however, that Texas maintains jurisdiction to pursue violations arising by Respondents' failure to comply with the terms and conditions of this Order.
2. This Order is entered into solely for the purpose of resolving the investigations and is not intended to be used for any other purpose, and Respondents neither admit nor deny the Findings of Fact and Conclusions of law herein.
3. Texas shall not take other adverse action against Respondents related to the matters and conduct at issue in this Order, provided that Texas may pursue claims arising from Respondents' failure to comply with the terms and conditions of this Order or from conduct not resolved herein, and further may take any action permitted by paragraph 13 of this Order.
4. Respondents shall not violate the Relevant Laws during any future transactions. Moreover, nothing herein shall be construed as having altered GSI's obligation to comply with all applicable federal, state, and local statutes, rules, and regulations.

5. GSI shall offer Eligible Customers refunds under the following terms:
- A. Eligible Customers shall be those current GSI customers who were, at the time of purchase, a resident of a Participating State who purchased precious metals from GSI prior to July 22, 2021.
 - B. GSI will take reasonable steps to identify a current physical and electronic mail address of all Eligible Purchasers by conducting a review of information set forth in internal notes, databases, payment records, or other internal files, as well as contracts, agreements, powers of attorney, and correspondence sent or received by regular mail or electronic mail.
 - C. GSI will notify Eligible Purchasers of the opportunity to elect to receive a refund, separate from any unrelated files or documents, by certified mail addressed to a current physical address and by electronic mail to a current email address. The notice shall take substantially the same form as the notice and form for customer signature set out in Exhibit A, incorporated herein by reference.
 - D. GSI will send the letter to the Eligible Purchasers of Texas within 30 calendar days of the Effective Date, and will send a second letter approximately 30 calendar days after the first letter is sent.
 - E. GSI will allow Eligible Purchasers the option to receive a refund by responding to the letter in writing addressed to a designated physical or electronic mail address for GSI.
 - F. Within seven calendar days from the expiration of the time for all Eligible Purchasers from each participating state to elect a refund and return the purchased metal (the "Expiration Date"), GSI shall establish an escrow account ("Account") to be used for the sole purpose of (i) paying refunds to Eligible Purchasers, and (ii) paying the expenses of the distribution.
 - G. Within fourteen calendar days of the Expiration Date, GSI shall either (a) deposit cash into the Account consisting of 110% of the total amount to be refunded to all Eligible Purchasers (the "Deposit Amount"), or (b) obtain a line of credit for the Deposit Amount.
 - H. Failure by GSI to timely make in its entirety the deposit or obtain the line of credit required by subparagraph (g) shall be a material breach by GSI of this Order, and time is of the essence with respect to GSI's obligation to make the deposit or obtain the line of credit, provided that in the event the Deposit Amount is more than \$1,000,000, then GSI and the Participating States shall attempt in good faith to arrange a method for GSI to finance its obligation to monetize the value of the precious metals that customers would be required to return pursuant to their refund requests. In the event no such alternative is agreed upon within 30 days of the Expiration Date, GSI and [Texas] may withdraw from this Consent Order.

- I. GSI will pay refunds, as calculated herein, to Eligible Purchasers within 90 calendar days after the Expiration Date. GSI shall not pay any refunds until after it has made the deposit or obtained the line of credit required by subparagraph (g) or an alternative arrangement has been made pursuant to subparagraph (h).
 - J. GSI will provide to Texas, prior to the execution of this Order, the names, email addresses, and physical addresses of Eligible Purchasers in Texas, as well as the date metals were purchased, the purchase price of those metals and the current Liquidation Value of the metals of all identified Eligible Purchasers within that Texas. GSI shall provide to Texas (i) evidence of the establishment and funding of the Account, (ii) the aggregate number of purchasers from all participating states that elected to receive a refund, and (iii) the aggregate amount of the refunds to be paid. Within 30 days of a request by Texas, GSI will provide to Texas copies of any and all written communications with Eligible Purchasers in Texas, a list of Eligible Purchasers who elected to receive a refund, who elected not to receive a refund, who did not respond, and who could not be reached, and records reflecting the payment of refunds to Eligible Purchasers.
 - K. Respondents, Texas, and their respective personnel shall not influence an Eligible Purchaser to either accept or reject an offer of refund under the terms of this Order, provided that Texas's advising Eligible Purchasers of the forthcoming notice from GSI and the importance of making an election shall not be considered an effort to influence an Eligible Purchaser within the meaning of this subparagraph.
- 8. Any GSI customer that GSI was unable to notify may request a refund within six months of the Expiration Date.
 - 9. This Order shall not disqualify or be interpreted to disqualify Respondents from any business they otherwise are qualified, licensed, or permitted to perform under applicable law, nor shall it form the basis of any disqualification under federal, state, or local law. This Order is not intended to subject any Covered Person to any disqualifications under the laws of the United States, any state, the District of Columbia, Puerto Rico, or the U.S. Virgin Islands, or under the rules or regulations of any securities or commodities regulator or self-regulatory organization, including, without limitation, any disqualification from relying upon the state or federal registration exemptions or safe harbor provisions. ("Disqualification Laws"). This Order is not intended to be considered as a disqualifying event according to these Disqualification Laws. "Covered Persons" means GSI and its current or former officers, directors, members, managers, employees, or other persons that could otherwise be disqualified as a result of this Order. This Order is not intended to serve as a ground(s) for denial of or renewal of any license or registration to Respondents.
 - 10. This Order is not intended to be deemed or used as (a) an admission of, or evidence of, the validity of any alleged wrongdoing or liability; or (b) an admission of, or evidence of, any such alleged fault or omission of Respondents in any civil,

criminal, arbitration, or administrative proceeding in any court, administrative agency, or other tribunal.

11. This Order is not intended to state or imply willful, reckless, or fraudulent conduct by Respondents, or their affiliates, directors, officers, employees, associated persons, or agents.
12. Respondents, through execution of this Order, voluntarily waive the right to a hearing, appeal, and judicial review of this Order under the Relevant Laws.
13. If, after this settlement is executed, Respondents fail to comply with any of the terms set forth herein, or any representation by Respondents herein is discovered to be materially incorrect or misleading or if GSI or Texas withdraws pursuant to paragraph 5(h), Texas may take any action permitted under state law, including but not limited to reinstating the actions and investigations referenced in this Consent Order.
14. Respondents enter into this Order voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Participating States or their officers, employees, agents, or representatives to induce Respondents to enter into this Order.

SIGNED AND ENTERED by the Securities Commissioner this 27th day of September, 2023.



TRAVIS J. ILES
Securities Commissioner

I hereby agree to the entry of this Consent Order; consent to all the terms, conditions and orders contained therein; and waive any right to appeal from this Order.

A handwritten signature in black ink, appearing to read 'A.A. Anderson', written over a horizontal line.

Anthony Allen Anderson
On behalf of GSI and himself

Approved as to form:

By: **Joe Rotunda** Digitally signed by Joe Rotunda
Date: 2023.09.22 08:10:29
-05'00'

Joseph Rotunda
Director
Enforcement Division

By: */s/ Charles M. Fleischmann*

Charles M. Fleischmann
Maynard Nexsen PC
1901 Sixth Avenue North #1700
Birmingham AL 35203
Attorney for Respondent

By: **Jeremy Heintz** Digitally signed by Jeremy Heintz
Date: 2023.09.22 08:12:14
-05'00'

Jeremy Heintz
Attorney
Enforcement Division