

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

IN THE MATTER OF:)	Docket No. 2023-7-10
)	
TRUE BULLION, LLC)	
D/B/A GOLD SILVER)	
INTERNATIONAL EXCHANGE,)	CONSENT ORDER
D/B/A GSI EXCHANGE, AND)	
ANTHONY ALLEN ANDERSON)	
)	
RESPONDENTS.)	

PRELIMINARY STATEMENT

This Consent Order (the “Order”) is entered into by the Idaho Department of Finance (“Department”) with True Bullion, LLC and Anthony Allen Anderson (collectively, “Respondents”) 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 Idaho Uniform Securities Act (2004) (the “Act”), Idaho Code § 30-14-101, *et seq.*, and the rules pursuant to the Act (the “Rules”), IDAPA 12.01.08.

WHEREAS, 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.”

WHEREAS, Anthony Allen Anderson, an individual, is a senior partner of GSI.

WHEREAS, three states – Alabama, Texas, and Arkansas – have entered Cease and Desist Orders (“C&D Orders”) against Respondents.

WHEREAS, Respondents have cooperated with the states conducting investigative inquiries and have agreed to resolve the matter with Alabama, Arkansas, Texas, Idaho, and the other states (the “Participating States”).

WHEREAS, Respondents submitted a proposed comprehensive plan (“Compliance Plan”) to the Participating States 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 laws regulating or relating to securities and commodities within the Participating States (“Relevant Laws”).

WHEREAS, Respondents neither admit nor deny the Findings of Fact and Conclusions of Law contained herein and voluntarily consent to the entry of this Order.

JURISDICTION

1. The Department and director of the Department (“Director”) have jurisdiction over matters relating to securities pursuant to Idaho Code § 30-14-601.

2. This Order is entered in accordance with Idaho Code § 30-14-604 and the Rules.

3. The acts and practices that are the subject of the Department’s investigation occurred while Respondents were conducting business in Idaho.

4. The Director finds this Order is in the public interest and represents that the Department has the authority to enter the following:

FINDINGS OF FACT

1. On or about August 18, 2014, GSI was organized as a Delaware limited liability company.

2. From 2014 to July 22, 2021, Respondents sold precious metals to 19 Idaho residents for an aggregate total of approximately \$1.5 million.

3. Respondents have never been registered as a broker dealer, broker dealer agent, investment adviser, investment adviser representative, or other relevant equivalent in Idaho. Based solely on Respondent's representation regarding the current nature of its operations as set forth in the Compliance Plan, the Department does not contend that Respondents current business activities require such registration.

4. 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 either open self-directed individual retirement accounts (SDIRAs) from which to purchase precious metals from GSI, or to purchase and take possession of precious metals directly from GSI. In many cases, GSI advised customers on the process of liquidating securities and 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. Instead, GSI made various unverified claims regarding better reliability, safety, and protection afforded by

precious-metals investments versus traditional securities. GSI also 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. GSI also failed to disclose to customers 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, with a combined total of precious metals transactions that exceeded \$32 million.

5. Respondents have put forth certain defenses (including registration exemptions) related to potential violations of the Participating States' Relevant Laws.

6. In determining to issue this Consent Order, the Department considered Respondents' proposed customer refund plan, the Compliance Plan, and the substantial and timely cooperation provided in connection with the Participating States' investigations and inquiries.

CONCLUSIONS OF LAW

1. Pursuant to Idaho Code §§ 30-14-403 and 30-14-404, it is unlawful for a person to transact business in Idaho as an investment adviser or investment adviser representative unless registered under the Act.

2. Pursuant to Idaho Code §§ 30-14-501 and 30-14-502, it is unlawful in Idaho for an investment adviser or investment adviser representative to make any untrue statement of a material

fact, or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.

3. To the extent Respondents engaged in such conduct described in the C&D Orders within Idaho, their conduct violated the Idaho Code sections referenced above.

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.

ORDER

IT IS HEREBY ORDERED:

1. This Order concludes the Department's inquiry, and any other action or remedy available under the Act relating to Respondents actions as outlined in the Findings of Fact and Conclusions of Law. Notwithstanding, the Department has jurisdiction to take further action if Respondents fail to comply with any term or condition of this Order, for any conduct by Respondents not resolved herein, or if any representation made by Respondents to the Department is discovered to be materially incorrect or misleading.

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.

3. 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.

4. Respondent GSI shall offer Eligible Purchasers refunds under the following terms:

- a) Eligible Purchasers shall be those current GSI customers who were, at the time of purchase, a resident of Idaho who purchased precious metals from GSI prior to July 22, 2021.
- b) Respondent 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) Respondent GSI will notify Idaho Eligible Purchasers of the opportunity to elect to receive a refund by certified mail addressed to a current physical address and by electronic mail to a current email address.
- d) Respondent GSI will send the refund notification letter to the Eligible Purchasers in Idaho within 30 calendar days of the Effective Date and will send a second letter approximately 30 calendar days after the first letter is sent. Eligible Purchasers shall have 60 days following the first letter to elect a refund (the “Expiration Date”).
- e) Respondent 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 Respondent GSI.
- f) Respondent GSI will refund the amount paid by each Eligible Purchaser for precious metals purchased through GSI (minus any prior refunds), as calculated in the refund notification letter within 90 calendar days after the Expiration Date.

- g) Respondents have provided to the Department the names, email addresses, and physical addresses of all Idaho Eligible Purchasers, including the date(s) of purchase, and purchase price of the precious metals purchased from GSI. Within 21 days after the Expiration Date, GSI will provide to the Department (i) the aggregate number of Idaho Eligible Purchasers that elected to receive a refund, and (ii) the aggregate amount of the refunds to be paid to Idaho Eligible Purchasers.
- h) Within 30 days of a request by the Department, Respondents will provide (i) copies of all written communications with Idaho Eligible Purchasers, (ii) copies of records reflecting the payment of refunds to Idaho Eligible Purchasers, and (iii) a list of Idaho Eligible Purchasers showing (1) who elected to receive a refund, (2) who elected not to receive a refund, (3) who did not respond to the notice, and (4) those who could not be reached.

5. Any Idaho Eligible Purchaser that GSI was unable to notify may request a refund on or before July 1, 2024.

6. 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 Respondents 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. This Order is not intended to serve as a ground(s) for denial of or renewal of any license or registration to Respondents.

7. 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.

8. 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.


9. Respondents waive their right to notice and opportunity for a hearing on this matter provided by Idaho Code § 30-14-604 and under the contested case provision of the Idaho Administrative Procedures Act, Idaho Code § 67-5240 et seq. Respondents further waive their right to seek judicial review of this Order. The terms contained in this Order constitute the entire agreement between the Department and Respondents.

10. Respondents enter into this Order voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Department to induce Respondents to enter into this Order.

AGREED TO and ACKNOWLEDGED:

Dated:


10/2/2023



ANTHONY ALLEN ANDERSON
TRUE BULLION, LLC d/b/a
GOLD SILVER INTERNATIONAL EXCHANGE
and/or GSI EXCHANGE
(Personally, and as officer of True Bullion, LLC)

THIS ORDER IS EFFECTIVE UPON ISSUANCE

Dated: 10/3/2023



JOHN YAROS, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this _____ Day of _____ 2023

STATE OF IDAHO
DEPARTMENT OF FINANCE

PATRICIA R. PERKINS, Director
Idaho Department of Finance

THIS ORDER IS EFFECTIVE UPON ISSUANCE

Dated: _____

JOHN YAROS, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this 3 Day of October 2023

STATE OF IDAHO
DEPARTMENT OF FINANCE



PATRICIA R. PERKINS, Director
Idaho Department of Finance