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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Securities Act of Washington by:

Order No. S-21-3124-23-CO01

CONSENT ORDER

True Bullion, LLC
D/B/A Gold Silver International Exchange,
D/B/A GSI Exchange, and
Anthony Allen Anderson;

Respondents.

I. PRELIMINARY STATEMENT

This Consent Order (the “Order”) is entered into by the Securities Division of the Department of Financial Institutions (the “Securities Division”) 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 Securities Act of Washington, RCW 21.20 (the “Act”).

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 is an individual who is a Senior Partner of GSI.

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 41200
Olympia, WA 98504-1200
360-902-8760

- 1 a. GSI is an independent retailer of precious metals, including, but not limited to, gold and
2 silver bars, rounds, and coins, and during the time period set forth herein, solicited senior
3 citizens and other persons in the Participating States to purchase precious metals.
- 4 b. GSI advertised to prospective precious-metals customers through its publicly available
5 website, gsiexchange.com, and through cold calls and targeted mail.
- 6 c. GSI advised prospective and current customers in the Participating States to protect their
7 investments by liquidating certain securities holdings and using the proceeds to open self-
8 directed individual retirement accounts (“IRAs”) to purchase precious metals from or
9 purchase and take direct possession of precious metals from GSI. In many cases, GSI
10 advised customers on the process of liquidating securities and directly contacted certain
11 broker-dealers and investment advisers on behalf of its customers to facilitate the
12 liquidation.
- 13 d. While advising customers in the Participating States, GSI did not disclose risks inherent in
14 liquidating securities to purchase precious metals, but instead made various unverified
15 claims regarding the reliability and safety of, and protection afforded through precious-
16 metals investments as opposed to traditional securities and claimed precious metals would
17 safeguard wealth.
- 18 e. When communicating with customers, GSI overstated the amount of risk involved with
19 continuing to hold securities in traditional investment accounts and failed to disclose the
20 amount of a mark-up or spread that GSI would charge, the risks involved with purchasing
21 GSI’s offerings, and the fact that GSI and its employees were not registered to transact
22 business in the Participating States as an investment adviser or as investment adviser
23 representatives.

1 f. Through the above-referenced activity, GSI attracted more than 450 clients from 44 states,
2 and their transactions involved more than \$32 million.

3 5. Respondents have claimed a number of defenses and exemptions particular to each of the
4 Participating States' Relevant Laws.

5 6. As part of the resolution of this matter, Respondents have submitted a comprehensive
6 Compliance Plan and proposal to the Participating States, which is designed to ensure that Respondents will
7 not provide securities advice in the future, will be transparent in all aspects of their business activities with
8 customers, and will otherwise abide by the Participating States' Relevant Laws. In determining to issue this
9 Consent Order, Washington considered Respondents' agreement to offer rescission and implement the
10 Compliance Plan, and their provision of substantial and timely cooperation to the Participating States.

11 **IV. CONCLUSIONS OF LAW**

12 1. It is against the law to act as an investment adviser, as defined in RCW 21.20.005(8). By doing
13 so while not registered as an investment adviser, or exempt from such registration, in the State of Washington,
14 pursuant to RCW 21.20.040(3).

15 2. It violates RCW 21.20.010, the anti-fraud section of the Securities Act of Washington, to make
16 untrue statements of material fact or omit to state material facts necessary to make the statements made, in
17 light of the circumstances in which they were made, not misleading.

18 3. To the extent Respondents have engaged in such conduct described in the C&D Orders within
19 Washington, their conduct falls within the Relevant Laws.

20 4. Implementation of the Compliance Plan, along with the refunds to be offered under this Order
21 in lieu of a fine or penalty, will serve as a tool to prevent potential future violations of the Relevant Laws.

22 5. Under the circumstances, this Order is appropriate and in the public interest.
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- 1 a. Eligible Customers shall be those current GSI customers who were, at the time of purchase,
2 a resident of a Participating State who purchased precious metals from GSI prior to July 22,
3 2021.
- 4 b. Respondent GSI will take reasonable steps to identify a current physical and electronic mail
5 address of all Eligible Purchasers by conducting a review of information set forth in internal
6 notes, databases, payment records, or other internal files, as well as contracts, agreements,
7 powers of attorney, and correspondence sent or received by regular mail or electronic mail.
- 8 c. Respondent GSI will notify Eligible Purchasers of the opportunity to elect to receive a
9 refund, separate from any unrelated files or documents, by certified mail addressed to a
10 current physical address and by electronic mail to a current email address. The notice shall
11 take substantially the same form as the notice and form for customer signature set out in
12 Exhibit A, incorporated herein by reference.
- 13 d. Respondent GSI will send the letter to the Eligible Purchasers of Washington within 30
14 calendar days of the Effective Date, and will send a second letter approximately 30 calendar
15 days after the first letter is sent.
- 16 e. Respondent GSI will allow Eligible Purchasers the option to receive a refund by responding
17 to the letter in writing addressed to a designated physical or electronic mail address for
18 Respondent GSI.
- 19 f. Within seven calendar days from the expiration of the time for all Eligible Purchasers from
20 each participating state to elect a refund and return the purchased metal (the "Expiration
21 Date"), Respondent GSI shall establish an escrow account ("Account") to be used for the
22 sole purpose of (i) paying refunds to Eligible Purchasers, and (ii) paying the expenses of
23 the distribution.

- 1 g. Within fourteen calendar days of the Expiration Date, Respondent GSI shall either (a)
2 deposit cash into the Account consisting of 110% of the total amount to be refunded to all
3 Eligible Purchasers (the "Deposit Amount"), or (b) obtain a line of credit for the Deposit
4 Amount.
- 5 h. Failure by Respondent GSI to timely make in its entirety the deposit or obtain the line of
6 credit required by subparagraph (g) shall be a material breach by GSI of this Order, and
7 time is of the essence with respect to GSI's obligation to make the deposit or obtain the line
8 of credit, provided that in the event the Deposit Amount is more than \$1,000,000, then GSI
9 and the Participating States shall attempt in good faith to arrange a method for GSI to
10 finance its obligation to monetize the value of the precious metals that customers would be
11 required to return pursuant to their refund requests. In the event no such alternative is agreed
12 upon within 30 days of the Expiration Date, GSI and Washington may withdraw from this
13 Consent Order.
- 14 i. Respondent GSI will pay refunds, as calculated herein, to Eligible Purchasers within 90
15 calendar days after the Expiration Date. GSI shall not pay any refunds until after it has
16 made the deposit or obtained the line of credit required by subparagraph (g) or an alternative
17 arrangement has been made pursuant to subparagraph (h).
- 18 j. Respondent GSI will provide to Washington, prior to the execution of this Order, the names,
19 email addresses, and physical addresses of Eligible Purchasers in Washington, as well as
20 the date metals were purchased, the purchase price of those metals and the current
21 Liquidation Value of the metals of all identified Eligible Purchasers within that Washington.
22 GSI shall provide to Washington (i) evidence of the establishment and funding of the
23 Account, (ii) the aggregate number of purchasers from all participating states that elected

1 to receive a refund, and (iii) the aggregate amount of the refunds to be paid. Within 30 days
2 of a request by Washington, Respondent GSI will provide to Washington copies of any and
3 all written communications with Eligible Purchasers in Washington, a list of Eligible
4 Purchasers who elected to receive a refund, who elected not to receive a refund, who did
5 not respond, and who could not be reached, and records reflecting the payment of refunds
6 to Eligible Purchasers.

7 k. Respondents, Washington, and their respective personnel shall not influence an Eligible
8 Purchaser to either accept or reject an offer of refund under the terms of this Order, provided
9 that Washington's advising Eligible Purchasers of the forthcoming notice from GSI and the
10 importance of making an election shall not be considered an effort to influence an Eligible
11 Purchaser within the meaning of this subparagraph.

12 7. Any GSI customer that GSI was unable to notify may request a refund within six months of the
13 Expiration Date.

14 8. This Order shall not disqualify or be interpreted to disqualify Respondents from any business
15 they otherwise are qualified, licensed, or permitted to perform under applicable law, nor shall it form the basis
16 of any disqualification under federal, state, or local law. This Order is not intended to subject any Covered
17 Person to any disqualifications under the laws of the United States, any state, the District of Columbia, Puerto
18 Rico, or the U.S. Virgin Islands, or under the rules or regulations of any securities or commodities regulator
19 or self-regulatory organization, including, without limitation, any disqualification from relying upon the state
20 or federal registration exemptions or safe harbor provisions. ("Disqualification Laws"). This Order is not
21 intended to be considered as a disqualifying event according to these Disqualification Laws. "Covered
22 Persons" means Respondent GSI and its current or former officers, directors, members, managers, employees,
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1 or other persons that could otherwise be disqualified as a result of this Order. This Order is not intended to
2 serve as a ground(s) for denial of or renewal of any license or registration to Respondents.

3 9. This Order is not intended to be deemed or used as (a) an admission of, or evidence of, the
4 validity of any alleged wrongdoing or liability; or (b) an admission of, or evidence of, any such alleged fault
5 or omission of Respondents in any civil, criminal, arbitration, or administrative proceeding in any court,
6 administrative agency, or other tribunal.

7 10. This Order is not intended to state or imply willful, reckless, or fraudulent conduct by
8 Respondents, or their affiliates, directors, officers, employees, associated persons, or agents.

9 11. Respondents, through execution of this Order, voluntarily waive the right to a hearing, appeal,
10 and judicial review of this Order pursuant to RCW 21.20.440 and Chapter 35.05 RCW.

11 12. If, after this settlement is executed, Respondents fail to comply with any of the terms set forth
12 herein, or any representation by Respondents herein is discovered to be materially incorrect or misleading or
13 if GSI or Washington withdraws pursuant to paragraph 5(h), Washington may take any action permitted under
14 state law, including but not limited to reinstating the actions and investigations referenced in this Consent
15 Order.

16 13. Respondents enter into this Order voluntarily and represent that no threats, offers, promises, or
17 inducements of any kind have been made by the Participating States or their officers, employees, agents, or
18 representatives to induce Respondents to enter into this Order.

19 14. Respondents enter into this Order with a full understanding of its terms and significance.
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1 Signed this 1st day of September 2023.

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3 /s/Anthony Allen Anderson

09/01/2023

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5 Anthony Allen Anderson

Date

6 (on behalf of himself and GSI Exchange)

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8 SIGNED and ENTERED this 20th day of September 2023.

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/s/

William M. Beatty
Securities Administrator

Presented by:

Approved by:

/s/

/s/

Brian J. Guerard
Chief of Enforcement

Megan Campbell
Financial Legal Examiner

Reviewed by:

/s/Holly Mack-Kretzler

Holly Mack-Kretzler
Financial Legal Examiner Supervisor

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CONSENT ORDER

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AGREEMENT IMPLEMENTING CONSENT ORDERS

Pursuant to the orders (“Orders”) with respect to True Bullion, LLC d/b/a Gold Silver International Exchange, d/b/a GSI Exchange (“GSI”) and Anthony Allen Anderson entered by Alabama, Arkansas, California, District of Columbia, Iowa, Minnesota, Missouri, Nebraska, New Jersey, North Carolina, Oregon, Utah, Texas, Washington, and Wisconsin (“Participating States”),¹ which provide that in the event the amount GSI was required to deposit pursuant to the Orders exceeded \$1,000,000, then the Participating States would “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,” GSI and the Participating States have agreed as follows:

1. No later than February 26, 2024 (“Effective Date”), GSI shall deposit \$3,250,000 (“Deposit”) into an account at a federally insured financial institution (the “Bank Account”) and provide evidence of same to the Participating States. This Agreement shall become effective upon GSI’s making the Deposit, and if GSI fails to do so, this Agreement becomes null and void and the parties revert to their rights under the Orders.

¹See CO-2021-0009 (Ala. Sec. Comm’n Sept. 8, 2023); Order No. S-21-0009-23-OR03 (Ark. Sec. Dep’t Aug. 28, 2023); *True Bullion, LLC* (Calif. Consent Order, available at <https://dfpi.ca.gov/wp-content/uploads/sites/337/2023/10/Consent-Order-True-Bullion-LLC-dba-Gold-Silver-International-Exchange.pdf>); Order No. SB-CO-06-23 (D.C. Dep’t of Insurance, Securities and Banking, Oct. 26, 2023); *In the Matter of True Bullion, LLC D/b/a Gold Silver International Exchange, d/b/a GSI Exchange, and Anthony Allen Anderson, Respondents*, 2023 WL 8458397 (Iowa Sec. Bur. Oct. 23, 2023); *In the Matter of the Un-Registered Broker Dealer True Bullion, LLC* (Minn. Dep’t of Commerce, available at <https://www.cards.commerce.state.mn.us/security/search.do?documentId={14071988-CFC6-4CFD-8CBD-15504430C83A}>); AP-23-19 (MO Securities Division Oct. 4, 2023); *In re True Bullion, LLC*, (Neb. Dep’t of Banking & Fin. 10-6-2023); *In the Matter of True Bullion, LLC d/b/a GSI Exchange, and Anthony Allen Anderson* (N.J. Bureau of Securities, Admin. Consent Order, Nov. 13, 2023); 23ADM003 (N.C. Securities Div. Oct. 23, 2023); S-23-0058 (Ore. Div. of Financial Regulation, Jan. 9, 2024); ENF-23-CDO-1875 (Tex. State Securities Bd. Sept. 27, 2023); Docket Nos. SD-23-0029 and -0030 (Ut. Sec. Comm’n Oct. 12, 2023); S-21-3124-23-CO01 (Wash. Dep’t of Fin. Inst., Sec. Div. Sept. 20, 2023); *In the Matter of Consent Order to Cease and Desist True Bullion LLC d/b/a Gold Silver International Exchange, d/b/a GSI Exchange, and Anthony Allen Anderson*. DFI Case No. S-243751 (EX) (Wisc. Dep’t Financial Institutions Sept. 15, 2023).

2. GSI shall use the Bank Account solely for the purpose of receiving the Deposit, receiving the proceeds of the sale of returned metal, and paying the refunds required by the Orders and this Agreement.

3. On the Effective Date, GSI may begin selling returned metal, with all sales proceeds to be deposited into the Bank Account.

4. On the Effective Date, GSI shall send a notice to all customers from Participating States who have elected to receive refunds. The notice shall state in substance the following:

a. The demand for refunds exceeded expectations, and that, with the consent of the Participating States, the refund payment schedule has been modified as follows:

i. no later than April 11, 2024, GSI will pay the customer 50% of the refund amount.

ii. no later than May 28, 2024, GSI will pay the remaining refund amount, but if as of that date the Bank Account has on deposit 90% of the total remaining refund amounts, GSI may have a single 30-day extension to make the final refund payments.

b. If GSI fails to pay the refunds in accordance with the above schedule, GSI shall deliver the returned metal back to the customer (or 50% of the returned metal if only the first payment is made).

c. Any customer that has not yet returned metal must do so no later than March 11, 2024, and GSI shall include instructions in a form satisfactory to the Participating States on how the customer is to return the metal, and returns of physical metal shall be at GSI's expense.

5. GSI shall hold all returned metal at Delaware Depository, either in its own account or, in order to facilitate sales, in the account of GSI's drop shipper (the "Depository Accounts").

6. GSI will provide Participating States weekly statements from the Bank Account and the Depository Accounts.

7. GSI's failure to timely pay the refunds as required by paragraph 4 of this Agreement shall be a material breach of the Orders and this Agreement, and time is of the essence with respect to GSI's obligation to pay the refunds.

8. All provisions of the Orders not inconsistent with this Agreement remain in effect.

9. This Agreement may be signed in counterparts.

TRUE BULLION, LLC



Anthony Allen Anderson
(on behalf of himself and True Bullion, LLC d/b/a
Gold Silver International Exchange, d/b/a/ GSI Exchange)

2/14/24
Date

Washington Department of Financial Institutions, Securities Division

/s/

William M. Beatty
Securities Administrator

February 14, 2024

Date