THE STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE
SECURITIES DIVISION

IN THE MATTER OF:	)	
	)	
TRUE BULLION, LLC	)	
D/B/A GOLD SILVER	)	
INTERNATIONAL EXCHANGE,	)	**FINAL ORDER**
D/B/A GSI EXCHANGE, AND	)	
ANTHONY ALLEN ANDERSON	)	**FILE NO. 23ADM003**
	)	
RESPONDENTS.	)	

I. PRELIMINARY STATEMENT

This Final Order (the "Order") is entered into by the North Carolina Secretary of State, as Administrator, against True Bullion, LLC and Anthony Allen Anderson (collectively, "Respondents") with respect to an investigations into whether Respondents engaged in acts or practices that violated Chapter 78C and Chapter 78D of the North Carolina General Statutes (the North Carolina Investment Advisers Act and the North Carolina Commodities Act (the "Acts")), and the regulations promulgated thereunder.

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.

WHEREAS, three states have led and conducted investigations – Alabama, Texas, and Arkansas – and entered Cease and Desist Orders ("C&D Orders") against Respondents.

WHEREAS, Respondents have cooperated in the investigations and have agreed to resolve the matter with Alabama, Arkansas, Texas and other states (the "Participating States").

WHEREAS, 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

1. The Administrator has jurisdiction over this matter pursuant to N.C. Gen Stat. §§78C-26, 78C-46, 78D-25, 78D-26 and 78D-29.

2. This Order is entered in accordance with N.C. Gen Stat. §§78C-28(b)(1), 78C-30, 78D-22(a), 78D-27 and 18 NCAC 06C .0104.

3. The acts and practices that are the subject of the North Carolina Securities Division's ("Securities Division") investigations occurred while Respondents were conducting business in North Carolina.

4. The Administrator has the authority to enter this Order pursuant to the Acts and the Administrative rules adopted thereunder.

III. FINDINGS OF FACT

1. On or about August 18, 2014, GSI was organized as limited liability company with the state of Delaware, Department of State, Division of Corporations.

2. Since its organization, Respondents have sold precious metals to approximately seven (7) North Carolina residents.

3. Respondents have not been registered as either a broker dealer, broker dealer agent, investment adviser, investment adviser representative, or other relevant equivalent in North Carolina, and based upon GSI's representations regarding the current nature of its operations as

set forth in the Compliance Plan submitted to the Participating States, the Administrator does not currently contend they are required to be registered.

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 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.

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

6. 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, the Administrator considered Respondents' agreement to offer rescission and implement the Compliance Plan, and their provision of substantial and timely cooperation to the Participating States.

IV. CONCLUSIONS OF LAW

1. In North Carolina, it is unlawful for a person to transact business in the State as an investment adviser or investment adviser representative unless such person is registered or qualifies for an exemption under N.C. Gen. Stat. §78C-16.

2. In North Carolina, it unlawful for any person in the solicitation of advisory clients, 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. N.C. Gen. Stat. §78C-8(b).

3. In North Carolina, it is unlawful for any person to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in connection with the purchase or sale, the offer to sell, the offer to purchase, the offer to enter into, or the entry into of, any commodity contract or commodity option. N.C. Gen. Stat. §78D-6(2).

4. To the extent Respondents have engaged in such conduct described in the C&D Orders within North Carolina, their conduct falls within the Acts.

5. 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 Acts.

6. The foregoing Findings of Fact and Conclusions of Law constitute sufficient bases for the Administrator to resolve the subject matter of the investigation regarding Respondents' offer and sale of precious metals and any potential violations of the Acts.

7. The Administrator finds this Order appropriate in the public interest, for the protection of investors and clients and consistent with purposes fairly intended by the policy and provisions of the Acts.

ORDER

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

1. That this Order concludes the investigation by the Securities Division and any other possible related action that could be brought or remedy sought under the Acts as it relates to the substance of the Findings of Fact and Conclusions of Law herein, provided however, that the

Administrator 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 investigation 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. The Securities Division shall not take other adverse action against Respondents related to the matters and conduct at issue in this Order, provided that Administrator 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 Acts during any future transactions. Moreover, nothing herein shall be construed as having altered GSI's obligation to comply with all applicable federal states, and local statutes, rules, and regulations.

5. Respondent GSI shall offer Eligible Customers (or "Eligible Purchasers") 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) 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 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) Respondent GSI will send the letter to the Eligible Purchasers of North Carolina 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) 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) 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"), Respondent 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, Respondent 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 Respondent 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 the Administrator may withdraw from this Consent Order.

i) Respondent 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) Respondent GSI will provide to the Securities Division, prior to the execution of this Order, the names, email addresses, and physical addresses of Eligible Purchasers in North Carolina, 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 North Carolina. GSI shall provide to the Securities Division: (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 the Securities Division, Respondent GSI will provide to Securities Division copies of any and all written

communications with Eligible Purchasers in North Carolina, 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, the Administrator, 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 the Administrator'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 is not intended to restrict, limit or replace any individual's or Eligible Customer's right of action under any North Carolina statute, including N.C. Gen. Stat. §78C-38, except to the extent that such person affirmatively waives such right of action as a condition of electing a refund.

10. 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 Respondent 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.

11. 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.

12. 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.

13. Respondents, through execution of this Order, voluntarily and permanently waive any procedural or substantive right to a *Notice of Hearing*, hearing, appeal, judicial review, collateral attacks or any other proceedings before the Administrator, including any court of competent jurisdiction or the Office of Administrative Hearing of this Order under the North Carolina Investment Advisers Act (N.C. Gen. Stat. Chapter 78C), North Carolina Commodities Act (N.C. Gen. Stat. Chapter 78D), or the North Carolina Administrative Procedure Act (N.C. Gen. Stat. Chapter 150B).

14. 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 the Administrator withdraws pursuant to paragraph 5(h), The

Administrator may take any action permitted under state law, including but not limited to reinstituting the actions and investigations referenced in this Consent Order.

15. This Order and any dispute related thereto shall be constructed and enforced in accordance with, and governed by, the laws of North Carolina without regard to any choice of law principles.

16. The presentation of this Order to the Administrator and any subsequent discussions of the Order prior to its entry without Respondents or its counsel being present or participating shall not constitute an improper *ex parte* communication between the Administrator and the Securities Division or counsel for the Securities Division.

17. Respondents enter into this Order voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the Administrator or any member, officer, employee, agent, or representative to induce Respondents to enter into this Order.

18. This Order shall be binding upon Respondents and its successors and assigns, with respect to all conduct subject to the provisions above.

Dated this 23 day of OCT, 2023.

ELAINE F. MARSHALL
SECRETARY OF STATE OF NORTH CAROLINA and
SECURITIES ADMINISTRATOR, by

[redacted]

J. ANTHONY PENRY
DEPUTY SECURITIES ADMINISTRATOR