

II. CONSENTS AND AGREEMENTS

To effect settlement of all charges alleged in the Complaint against Defendant McAllister without a trial on the merits or any further judicial proceedings, Defendant McAllister:

1. Consents to the entry of this Consent Order for Permanent Injunction and Other Equitable Relief Against Defendant McAllister (“Consent Order”);
2. Affirms that he has read and agreed to this Consent Order voluntarily, and that no promise, other than as specifically contained herein, or threat, has been made by the Commission or any member, officer, agent, or representative thereof, or by any other person, to induce consent to this Consent Order;
3. Acknowledges service of the summons and Complaint;
4. Admits the jurisdiction of this Court over him and the subject matter of this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2018);
5. Admits the jurisdiction of the Commission over the conduct and transactions at issue in this action pursuant to the Act;
6. Admits that venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(e);
7. Waives:
 - (a) Any and all claims that he may possess under the Equal Access to Justice Act, 5 U.S.C. § 504 (2018) and 28 U.S.C. § 2412 (2018), and/or the rules promulgated by the Commission in conformity therewith, Part 148 of the Regulations, 17 C.F.R. pt. 148 (2020), relating to, or arising from, this action;
 - (b) Any and all claims that he may possess under the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II, §§ 201–253, 110 Stat. 847, 857–74 (codified as amended at 28 U.S.C. § 2412 and in scattered sections of 5 U.S.C. and 15 U.S.C.), relating to, or arising from, this action;
 - (c) Any claim of Double Jeopardy based upon the institution of this action or the entry in this action of any order imposing a civil monetary penalty or any other relief, including this Consent Order; and

(d) Any and all rights of appeal from this action;

8. Consents to the continued jurisdiction of this Court over him for the purpose of implementing and enforcing the terms and conditions of this Consent Order and for any other purpose relevant to this action, even if Defendant McAllister now or in the future resides outside the jurisdiction of this Court;

9. Agrees that he will not oppose enforcement of this Consent Order on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and hereby waives any objection based thereon;

10. Agrees that neither he nor any of his agents or employees under his authority or control shall take any action or make any public statement denying, directly or indirectly, any allegation in the Complaint of the Findings of Fact or Conclusions of Law in this Consent Order, or creating or tending to create the impression that the Complaint and/or this Consent Order is without a factual basis; provided, however, that nothing in this provision shall affect his: (a) testimonial obligations, or (b) right to take legal positions in other proceedings to which the Commission is not a party. Defendant McAllister shall comply with this agreement, and shall undertake all steps necessary to ensure that all of his agents and/or employees under his authority or control understand and comply with this agreement;

11. Consents to the entry of this Consent Order without admitting or denying the allegations of the Complaint or any findings or conclusions in this Consent Order, except as to jurisdiction and venue, which he admits;

12. Consents to the use of the findings and conclusions in this Consent Order in this proceeding and in any other proceeding brought by the Commission or to which the Commission

is a party or claimant, and agrees that they shall be taken as true and correct and be given preclusive effect therein, without further proof;

13. Does not consent, however, to the use of this Consent Order, or the findings and conclusions herein, as the sole basis for any other proceeding brought by the Commission or to which the Commission is a party, other than a: statutory disqualification proceeding; proceeding in bankruptcy, or receivership; or proceeding to enforce the terms of this Order;

14. Agrees to provide immediate notice to this Court and the Commission by certified mail, in the manner required by paragraph 67 of Part VI of this Consent Order, of any bankruptcy proceeding filed by, on behalf of, or against him, whether inside or outside the United States; and

15. Agrees that no provision of this Consent Order shall in any way limit or impair the ability of any other person or entity to seek any legal or equitable remedy against Defendant McAllister in any other proceeding.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Court, being fully advised in the premises, finds that there is good cause for the entry of this Consent Order and that there is no just reason for delay. The Court therefore directs the entry of the following Findings of Fact, Conclusions of Law, permanent injunction, and equitable relief pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2018), as set forth herein.

THE PARTIES AGREE AND THE COURT HEREBY FINDS:

A. FINDINGS OF FACT

i. The Parties to this Consent Order

16. Plaintiff **Commodity Futures Trading Commission** is an independent federal regulatory agency that is charged by Congress with the administration and enforcement of the

Act and Regulations. The Commission is headquartered at 1155 21st Street N.W., Washington, DC 20581.

17. Defendant **Charles H. McAllister** is a resident of Alabama. At all relevant times, Defendant McAllister was a co-founder and the president, majority shareholder, and chief executive officer of Bullion Direct Inc. (“BDI”), a now-defunct web-based precious metals company. Defendant McAllister has never been registered with the Commission in any capacity. As noted above, in the Criminal Action Defendant McAllister was found guilty of wire fraud in violation of 18 U.S.C. §§ 2, 1343 (2018) and engaging in monetary transactions in criminally derived property in violation of 18 U.S.C. § 1957 (2018). On February 18, 2020, Defendant McAllister was sentenced to ten years in prison, and ordered to pay \$16,186,212.56 in restitution to the defrauded customers of BDI. *See* Judgment in a Criminal Case, Criminal Action, ECF No. 100.

ii. Defendant McAllister and BDI’s Precious Metals Business

18. From August 15, 2011, through July 20, 2015 (the “Relevant Period”), Defendant McAllister and BDI solicited customers to purchase gold, silver, platinum, and palladium (“precious metals”) through a website platform for the “trading, clearing, purchasing, and validation of physical precious metals.” Customers could either purchase precious metals directly from BDI through its online catalog, or through an electronic exchange called “Nucleo,” which matched buyers’ and sellers’ orders of precious metal(s).

19. Prior to October 2012, customers ordering through the online catalog had the option of storing their precious metals at BDI or having them delivered immediately. In October 2012, BDI changed its Terms of Service to require that customers request delivery within

twenty-one days, however BDI had no mechanism in place to force these deliveries, and therefore some BDI customers continued to store their precious metals at BDI.

20. For customers trading precious metals through Nucleo, BDI processed the trades by confirming the trades, receiving and validating precious metals from the seller, receiving cash from the buyer, and distributing the precious metals to the buyer and cash to the seller. Just as customers ordering through BDI's online catalog, prior to October 2012, customers using the Nucleo platform could take immediate delivery of the precious metals, or store the precious metals with BDI. And in October 2012, when BDI changed its Terms of Service to require that customers request delivery within twenty-one days, it had no mechanism in place to force these deliveries, and therefore some customers trading through Nucleo continued to store their precious metals at BDI.

21. Prior to 2012, BDI was obligated to purchase these metals—whether customers requested storage or delivery—immediately upon receiving payment from customers. In 2012, BDI changed its operations and was contractually obligated to purchase precious metals for customers within twenty-eight days of receiving payment from customers.

22. In addition to purportedly storing precious metals for BDI customers, Defendant McAllister and BDI also allowed customers to deposit and maintain cash balances in their accounts at BDI to make additional purchases of precious metals.

23. Defendant McAllister used the mails or other instrumentalities of interstate commerce to (1) receive checks, wires, and credit card payments from BDI customers; (2) make representations to BDI customers; and (3) disseminate account statements to BDI customers.

24. Gold, silver, platinum, and palladium are commodities pursuant to Section 1a(9) of the Act, 7 U.S.C. § 1a(9) (2018), because they are goods in which contracts for future delivery are presently or in the future dealt in.

iii. Defendant McAllister and BDI's Fraudulent Solicitation Scheme

25. At Defendant McAllister's direction, BDI published on its website the Terms of Service, which BDI customers were required to read and accept before transacting business on BDI's platform. The Terms of Service purportedly applied to all transactions between BDI and BDI customers.

26. The Terms of Service stated:

Delivery to Customer or on Customer's Behalf. Upon receipt of good funds or other acceptable consideration from Customers or on Customers' behalf in full payment for the purchase of Products, BullionDirect® shall, as agreed, deliver the Products: (i) to Customer, or (ii) to Customer's appointed agent or designee. Upon receipt of good funds or other acceptable consideration from Customer, BullionDirect® shall make delivery within twenty-eight (28) days, or such lesser period as required by law, all of the Products purchased. . . .

When Title to Products Passes to Customer. Title to the Products purchased by Customers shall pass to Customer upon delivery to Customer or Customer's appointed agent or designee. Products that have been delivered to BullionDirect®'s storage facility for Customer will be held in safekeeping on a fungible basis and Customer will receive title to an undivided share of the Products so held. Notwithstanding the passage of title to Customer, BullionDirect® may use such Products, in fungible form, held for Customer. Customer understands that such use of the Products in this form may result in gains or losses, which will inure solely to the benefit of BullionDirect®.

27. While the exact wording of the Terms of Service may have varied during the Relevant Period, all Terms of Service in effect during the Relevant Period indicated that (1) BDI would deliver precious metals to customers within twenty-eight days of the customer's purchase,

and (2) BDI could use customers' precious metals while in storage with BDI, but BDI would bear all risk of loss associated with its use of the customers' precious metals.

28. Defendant McAllister and BDI falsely represented in the Terms of Service that BDI would deliver precious metals to customers within twenty-eight days of purchase. Defendant McAllister was the sole individual in charge of purchasing precious metals for BDI. Defendant McAllister failed, however, to procure the necessary precious metals for BDI's customers, and therefore also failed to deliver precious metal within twenty-eight days, or ever, as promised in the Terms of Service. Customers would not have purchased precious metals from BDI if they had known that BDI was not procuring the precious metals it was obligated to purchase for customers.

29. Defendant McAllister and BDI knew the representations that they would purchase precious metals for customers within twenty-eight days were false.

30. Defendant McAllister and BDI falsely represented in the Terms of Service that they would bear any losses associated with their use of customers' precious metals while those precious metals were being stored at BDI. BDI was insolvent during the Relevant Period and lacked sufficient funds to purchase all of the precious metals owed to customers in the first instance, and therefore had no ability to cover any loss created by Defendant McAllister's and BDI's use of precious metals while in BDI's storage facility. Customers would not have stored precious metals with BDI for any period of time if they had known that BDI would use those precious metals but not be able to replace them in the event of loss.

31. Defendant McAllister and BDI knew the representations that they would bear any losses associated with their use of the precious metals were false.

32. Defendant McAllister and BDI failed to tell customers they were not procuring the precious metals purchased by these customers as they were obligated to do under BDI's Terms of Service. Customers would not have purchased precious metals from or through BDI if they knew that BDI may not use their funds to purchase precious metals.

33. Defendant McAllister and BDI failed to tell customers they owed other customers millions of dollars' worth of precious metals that BDI did not possess and did not have sufficient funds to purchase. Customers would not have purchased precious metals from or through BDI if they were aware that BDI owed customers millions of dollars in precious metals without the underlying precious metals or funds sufficient to purchase those precious metals.

34. Throughout the Relevant Period and at Defendant McAllister's direction, BDI maintained online customer accounts through which customers could login and view account statements in the "portfolio" section of their accounts. These account statements purported to reflect the type (by SKU number) and amount (in ounces) of precious metals these customers were storing with BDI. The account statements also denoted the amount of cash being held by these customers at BDI.

35. Despite the representations by Defendant McAllister and BDI in these account statements, BDI had not purchased all of the precious metals it was obligated to purchase for customers, and did not have precious metals or sufficient funds to cover either these precious metals purchases or the cash balances represented in the account statements.

36. Defendant McAllister and BDI knew the representations in the account statements as to the type and amount of precious metals in storage with BDI, as well as the amount of cash held in these customer accounts, were false.

iv. Defendant McAllister and BDI Misappropriated Customer Funds

37. During the Relevant Period, Defendant McAllister and BDI misappropriated at least \$16,186,212.56 from thousands of customers in connection with their fraudulent scheme. Defendant McAllister used customer funds from these precious metals purchases to pay BDI's operating expenses, to pay back other customers, and to invest in other businesses.

38. BDI lacked an adequate accounting function from its inception. Until 2010, it did not track how much precious metals it owed customers, did not prepare financial statements, and did not even file tax returns. Defendant McAllister and BDI commingled customer and BDI funds in one operating account, did not have an operating budget, and did not know BDI's profitability.

39. In 2010, in preparation for filing tax returns and implementing new accounting software, BDI prepared draft financial statements for the first time in its history. BDI's controller and a BDI business consultant presented Defendant McAllister with the draft financial statements, which revealed that BDI was insolvent. Specifically, BDI owed customers approximately \$32 million in precious metals, but only had \$8 million of precious metals in storage. The draft financial statements further showed that BDI lacked sufficient funds to cover the value of the precious metals it owed customers and that BDI was not making enough money from its precious metals transactions to cover its operating expenses.

40. The draft financial statements revealed that Defendant McAllister and BDI used customer funds obligated for precious metals purchases to, among other things, purchase metals for or pay back other customers, cover BDI business expenses, and invest in other businesses.

41. Despite the dire financial scenario presented in the draft financial statements, Defendant McAllister continued to operate BDI and continued to misappropriate customer funds.

42. In October 2012, BDI's controller and a BDI business consultant approached and confronted Defendant McAllister about BDI's fraudulent operations. They urged Defendant McAllister to disclose to BDI customers that BDI was unable to meet its outstanding precious metals obligations to all of its customers, and to change BDI's operations going forward to limit further customer harm. They expressed their concern about criminal exposure if BDI did not make the disclosures and adjustments to its operations. Defendant McAllister refused to notify customers, and both the controller and business consultant immediately resigned.

43. In October 2012, Defendant McAllister and BDI announced on BDI's website that "BDI has made a strategic decision to . . . discontinue accepting further deposits of metals for storage in our vault, including new deposits by existing customers." Per BDI's website, customers who purchased precious metal from or through BDI would "be required to request physical delivery within twenty-one days." Despite this announcement, BDI had no mechanism in place to force these deliveries and therefore some BDI customers continued to store their precious metals at BDI even after this announcement.

v. Defendant McAllister Controlled BDI

44. During the Relevant Period, Defendant McAllister was the only executive at BDI. In addition to holding the position of chief executive officer, Defendant McAllister made all financial and strategic decisions for BDI, and so Defendant McAllister also functionally served as the chief operating officer and chief financial officer.

45. Defendant McAllister directed, among other things, how much precious metals BDI purchased from precious metals wholesalers, how to pay for BDI's operating expenses, that customer funds be invested in other businesses, the drafting of BDI's Terms of Service, and the

information to be published on BDI's website, including the issuance of electronic account statements.

46. Defendant McAllister knowingly induced BDI's fraudulent acts by virtue of directing those fraudulent acts.

B. CONCLUSIONS OF LAW

i. Jurisdiction and Venue

47. The Court possesses jurisdiction over this action pursuant to 28 U.S.C. § 1331 (2018) (codifying federal question jurisdiction) and 28 U.S.C. § 1345 (2018) (providing that U.S. district courts have original jurisdiction over civil actions commenced by the United States or by any agency expressly authorized to sue by Act of Congress). 7 U.S.C. § 13a-1(a) (2018) provides that the Commission may bring actions for injunctive relief or to enforce compliance with the Act or any rule, regulation, or order thereunder in the proper district court of the United States whenever it shall appear to the Commission that any person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule, regulation, or order thereunder.

48. Venue properly lies with this Court pursuant to 7 U.S.C. § 13a-1(e), because Defendant McAllister conducted business in this jurisdiction and the acts and practices in violation of the Act occurred within this District.

ii. Fraud by Misrepresentations and Omissions and Misappropriation of Customer Funds

49. By the conduct described in paragraphs 16 through 46 above, Defendant McAllister violated Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2018), and Regulation 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2020), by intentionally or recklessly making false representations and omissions, in connection with a contract of sale of commodities in interstate

commerce, including but not limited to: (1) making material misrepresentations that BDI was procuring all the precious metals it was obligated to purchase for customers within twenty-eight days; (2) making material misrepresentations that BDI would bear the loss of any customers' precious metals they used while in storage at BDI; (3) omitting to tell customers that they were not procuring all the precious metals they were obligated to purchase for customers; (4) omitting to tell customers that they owed customers millions of dollars in precious metals that they did not possess and lacked sufficient funds to procure; and (5) issuing false account statements to customers.

50. By the conduct described in paragraphs 16 through 46 above, Defendant McAllister and BDI violated 7 U.S.C. § 9(1) (2018) and 17 C.F.R. § 180.1(a)(1)-(3) (2020), by misappropriating customer funds to pay for BDI operating expenses, expenses related to other business ventures, or to purchase precious metals for other BDI customers.

51. Defendant McAllister controlled BDI, directly or indirectly, and did not act in good faith or knowingly induced, directly or indirectly, BDI's act or acts in violation of the Act and Regulations; therefore, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b) (2018), Defendant McAllister is liable for BDI's violations of 7 U.S.C. § 9(1) and 17 C.F.R. § 180.1(a)(1)-(3).

52. Unless restrained and enjoined by this Court, there is a reasonable likelihood that Defendant McAllister will continue to engage in the acts and practices alleged in the Complaint and in similar acts and practices in violation of the Act and Regulations.

IV. PERMANENT INJUNCTION

IT IS HEREBY ORDERED THAT:

53. Based upon and in connection with the foregoing conduct, pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2018), Defendant McAllister is permanently restrained, enjoined,

and prohibited from directly or indirectly, in connection with any contract of sale of any commodity in interstate commerce, intentionally or recklessly: (1) using, employing, or attempting to use or employ, any manipulative device, scheme, or artifice to defraud; (2) making, or attempting to make, any untrue or misleading statement of a material fact or omitting to state a material fact necessary in order to make the statements made not untrue or misleading; and (3) engaging or attempting to engage, in any act, practice, or course of business, which operates or would operate as a fraud or deceit upon any person in violation of Section 6(c)(1) of the Act, 7 U.S.C. § 9(1) (2018), and Regulation 180.1(a)(1)-(3), 17 C.F.R. § 180.1(a)(1)-(3) (2020).

54. Defendant McAllister is also permanently restrained, enjoined and prohibited from directly or indirectly:

- a. Trading on or subject to the rules of any registered entity (as that term is defined in Section 1a(40) of the Act, 7 U.S.C. § 1a(40) (2018));
- b. Entering into any transactions involving “commodity interests” (as that term is defined in Regulation 1.3, 17 C.F.R. § 1.3 (2020)), for his own personal account or for any account in which he has a direct or indirect interest;
- c. Having any commodity interests traded on his behalf;
- d. Controlling or directing the trading for or on behalf of any other person or entity, whether by power of attorney or otherwise, in any account involving commodity interests;
- e. Soliciting, receiving or accepting any funds from any person for the purpose of purchasing or selling any commodity interests;
- f. Applying for registration or claiming exemption from registration with the Commission in any capacity, and engaging in any activity requiring such

registration or exemption from registration with the Commission, except as provided for in Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2020); and/or

g. Acting as a principal (as that term is defined in Regulation 3.1(a), 17 C.F.R. § 3.1(a) (2020)), agent or any other officer or employee of any person (as that term is defined in 7 U.S.C. § 1a(38)), registered, exempted from registration or required to be registered with the Commission except as provided for in 17 C.F.R. § 4.14(a)(9).

V. RESTITUTION

55. Defendant McAllister shall pay restitution in the amount of sixteen million, one hundred eighty-six thousand, two hundred and twelve dollars and fifty-six cents (\$16,186,212.56) (“Restitution Obligation”).

56. In the Criminal Action, Defendant McAllister has been sentenced to ten years imprisonment and ordered to pay restitution in the amount of sixteen million, one hundred eighty-six thousand, two hundred and twelve dollars and fifty-six cents (\$16,186,212.56) to the defrauded customers of BDI in connection with the same conduct at issue in this action. For amounts disbursed to BDI’s customers as a result of satisfaction of any restitution ordered in the Criminal Action, Defendant McAllister shall receive a dollar-for-dollar credit against the Restitution Obligation. Within ten days of disbursement in the Criminal Action to BDI’s customers, Defendant McAllister shall, under a cover letter that identifies the name and docket number of this proceeding, transmit to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581, and the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606 copies of the form of payment to those customers.

57. To effect payment of the Restitution Obligation and the distribution of any restitution payments to Defendant McAllister's customers, the Court appoints the National Futures Association ("NFA") as Monitor ("Monitor"). The Monitor shall receive restitution payments from Defendant McAllister and make distributions as set forth below. Because the Monitor is acting as an officer of this Court in performing these services, the NFA shall not be liable for any action or inaction arising from NFA's appointment as Monitor, other than actions involving fraud.

58. Defendant McAllister shall make Restitution Obligation payments, and any post-judgment interest payments, under this Consent Order to the Monitor in the name "Defendant Charles McAllister – Restitution Fund" and shall send such payments by electronic funds transfer, or by U.S. postal money order, certified check, bank cashier's check, or bank money order, to the Office of Administration, National Futures Association, 300 South Riverside Plaza, Suite 1800, Chicago, Illinois 60606 under cover letter that identifies the paying Defendant McAllister and the name and docket number of this proceeding. Defendant McAllister shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

59. The Monitor shall oversee the Restitution Obligation and shall have the discretion to determine the manner of distribution of such funds in an equitable fashion to Defendant McAllister's customers identified by the Commission or may defer distribution until such time as the Monitor deems appropriate.

60. In the event that the amount of Restitution Obligation payments to the Monitor are of a *de minimis* nature such that the Monitor determines that the administrative cost of

making a distribution to Defendant McAllister's customers is impractical, the Monitor may, in its discretion, treat such restitution payments as civil monetary penalty payments, which the Monitor shall forward to the Commission by electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made other than by electronic funds transfer, then the payment shall be made payable to the Commodity Futures Trading Commission and sent to the address below:

CFTC
C/O ESC/AMK-326; HQ RM 265
6500 S. MacArthur Blvd.
Oklahoma City, OK 73169
(405) 954-6569 office
(405) 954-1620 fax
9-AMC-AR-CFTC@faa.gov

If payment by electronic funds transfer is chosen, the Monitor shall contact Marie Thorne or her successor at the address above to receive payment instructions and shall fully comply with those instructions. The Monitor shall accompany the payment with a cover letter that identifies the name and docket number of this proceeding. The Monitor shall simultaneously transmit copies of the cover letter and the form of payment to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

61. Defendant McAllister shall cooperate with the Monitor as appropriate to provide such information as the Monitor deems necessary and appropriate to identify Defendant McAllister's customers to whom the Monitor, in its sole discretion, may determine to include in any plan for distribution of any Restitution Obligation payments. Defendant McAllister shall execute any documents necessary to release funds that he has in any repository, bank,

investment, or other financial institution, wherever located, in order to make partial or total payment toward the Restitution Obligation.

62. The Monitor shall provide the Commission at the beginning of each calendar year with a report detailing the disbursement of funds to Defendant McAllister's customers during the previous year. The Monitor shall transmit this report under a cover letter that identifies the name and docket number of this proceeding to the Chief Financial Officer, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, D.C. 20581.

63. The amounts payable to each customer shall not limit the ability of any customer from proving that a greater amount is owed from Defendant McAllister or any other person or entity, and nothing herein shall be construed in any way to limit or abridge the rights of any customer that exist under state or common law.

64. Pursuant to Rule 71 of the Federal Rules of Civil Procedure, each customer of Defendant McAllister who suffered a loss is explicitly made an intended third-party beneficiary of this Consent Order and may seek to enforce obedience of this Consent Order to obtain satisfaction of any portion of the restitution that has not been paid by Defendant McAllister, to ensure continued compliance with any provision of this Consent Order, and to hold Defendant McAllister in contempt for any violations of any provision of this Consent Order.

65. To the extent that any funds accrue to the U.S. Treasury for satisfaction of Defendant McAllister's Restitution Obligation, such funds shall be transferred to the Monitor for disbursement in accordance with the procedures set forth above.

66. Partial Satisfaction: Acceptance by the Commission or the Monitor of any partial payment of Defendant McAllister's Restitution Obligation shall not be deemed a waiver of his

obligation to make further payments pursuant to this Consent Order, or a waiver of the Commission's right to seek to compel payment of any remaining balance.

VI. MISCELLANEOUS PROVISIONS

67. Notice: All notices required to be given by any provision in this Consent Order shall be sent certified mail, return receipt requested, as follows:

Notice to Commission:

Charles Marvine
Deputy Director, Division of Enforcement
Commodity Futures Trading Commission
2600 Grand Blvd., Suite 210
Kansas City, MO 64108

All such notices to the Commission shall reference the name and docket number of this action.

68. Change of Address/Phone: Until such time as Defendant McAllister satisfies in full his Restitution Obligation as set forth in this Consent Order, Defendant McAllister shall provide written notice to the Commission by certified mail of any change to his telephone number and mailing address within ten calendar days of the change.

69. Entire Agreement and Amendments: This Consent Order incorporates all of the terms and conditions of the settlement among the parties hereto to date. Nothing shall serve to amend or modify this Consent Order in any respect whatsoever, unless: (a) reduced to writing; (b) signed by all parties hereto; and (c) approved by order of this Court.

70. Invalidation: If any provision of this Consent Order or if the application of any provision or circumstance is held invalid, then the remainder of this Consent Order and the application of the provision to any other person or circumstance shall not be affected by the holding.

71. Waiver: The failure of any party to this Consent Order or of any customer at any time to require performance of any provision of this Consent Order shall in no manner affect the right of the party or customer at a later time to enforce the same or any other provision of this Consent Order. No waiver in one or more instances of the breach of any provision contained in this Consent Order shall be deemed to be or construed as a further or continuing waiver of such breach or waiver of the breach of any other provision of this Consent Order.

72. Continuing Jurisdiction of this Court: This Court shall retain jurisdiction of this action to ensure compliance with this Consent Order and for all other purposes related to this action, including any motion by Defendant McAllister to modify or for relief from the terms of this Consent Order.

73. Injunctive and Equitable Relief Provisions: The injunctive and equitable relief provisions of this Consent Order shall be binding upon Defendant McAllister, upon any person under his authority or control, and upon any person who receives actual notice of this Consent Order, by personal service, e-mail, facsimile or otherwise insofar as he or she is acting in active concert or participation with Defendant McAllister.

74. Counterparts and Facsimile Execution: This Consent Order may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered (by facsimile, e-mail, or otherwise) to the other party, it being understood that all parties need not sign the same counterpart. Any counterpart or other signature to this Consent Order that is delivered by any means shall be deemed for all purposes as constituting good and valid execution and delivery by such party of this Consent Order.

75. Contempt: Defendant McAllister understands that the terms of the Consent Order are enforceable through contempt proceedings, and that, in any such proceedings he may not challenge the validity of this Consent Order.

76. Agreements and Undertakings: Defendant McAllister shall comply with all of the undertakings and agreements set forth in this Consent Order.

There being no just reason for delay, the Clerk of the Court is hereby ordered to enter this *Consent Order for Permanent Injunction and Other Equitable Relief Against Defendant Charles H. McAllister* forthwith and without further notice.

IT IS SO ORDERED on this 18th day of August, 2021.



Lee Yeakel
UNITED STATES DISTRICT JUDGE

CONSENTED TO AND APPROVED BY:



Charles H. McAllister

Date: 4/27/2021

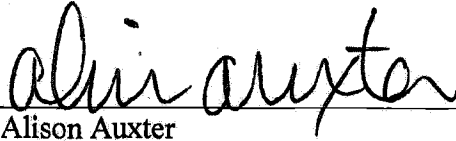
J. Alison Auxter
Senior Trial Attorney
Commodity Futures Trading Commission
Division of Enforcement
2600 Grand Blvd., Suite 210
Kansas City, MO 64108
Telephone: (816) 960-7750
Facsimile: (816) 960-7751
aauxter@cftc.gov

Dated _____

CONSENTED TO AND APPROVED BY:

Charles H. McAllister

Date: _____



J. Alison Auxter
Senior Trial Attorney
Commodity Futures Trading Commission
Division of Enforcement
2600 Grand Blvd., Suite 210
Kansas City, MO 64108
Telephone: (816) 960-7750
Facsimile: (816) 960-7751
aauxter@cftc.gov

Dated 8/16/2021