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10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA

12 In the Matter of:

13 THE COMMISSIONER OF FINANCIAL
14 PROTECTION AND INNOVATION,

15 Complainant,

16 v.

17 CHOCTAW TRADING & ANALYTICS,
18 INC., a California corporation, and
LAWRENCE B. HUNDLEY, an individual,

19 Respondents.

CRD No.: 322691 and 706327

CONSENT ORDER

20
21 The Commissioner of Financial Protection and Innovation (Commissioner) and respondent
22 Choctaw Trading & Analytics, Inc. (Choctaw) and respondent Lawrence B. Hundley (Hundley)
23 (collectively, the Respondents) enter into this Consent Order (Order) with respect to the following
24 facts:

25 **I.**

26 **RECITALS**

27 A. The Commissioner is authorized to administer and enforce the provisions of the Corporate
28 Securities Law of 1968 (Corp. Code, § 25000-25707) (CSL) and the regulations promulgated

1 thereunder at title 10 of the California Code of Regulations, which include the licensure, examination,
2 and regulation of investment advisers and broker-dealers.

3 B. At all relevant times, Choctaw Trading & Analytics, Inc. (Choctaw) (CRD No. 322691) was a
4 California corporation, doing business at 26329 Antonio Circle, Loma Linda, California 92354.

5 C. At all relevant times, Lawrence B. Hundley (Hundley) (CRD No. 706327), was the sole
6 owner and operator of Choctaw.

7 D. At all relevant times, Choctaw never held a broker-dealer certificate nor an investment adviser
8 certificate, pursuant to Corporations Code sections 25210 and 25230.

9 E. On October 20, 2004, the National Futures Association terminated Hundley for a period of six
10 months, until April 30, 2005, and barred from acting as a principal or in any supervisory capacity for
11 a period of five years, until October 20, 2009.

12 F. On May 11, 2007, the United States Commodity Futures Trading Commission found that
13 Hundley failed to comply with a final order and was automatically suspended until March 4, 2010.

14 G. On August 1, 2022, Choctaw filed an application for an investment adviser certificate with the
15 Department. During the course of the application process, it was discovered that Choctaw and
16 Hundley engaged in the business of providing investment advisory services, in California, during the
17 period of July 2019 through August 2022, in violation of Corporations Code section 25230.

18 H. Choctaw and Hundley, by entering into this Consent Order, neither admit nor deny that they
19 have violated any California law or regulation.

20 I. The Commissioner finds this action is appropriate, in the public interest, is necessary for the
21 protection of investors, and is consistent with the purposes fairly intended by the policies and
22 procedures of the CSL.

23 J. NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
24 forth herein, the Parties agree as follows:

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1 II.

2 TERMS AND CONDITIONS

3 1. Purpose. This Consent Order resolves the issues before the Commissioner, set forth
4 above, in a manner that avoids the expense of a hearing and other possible court proceedings, protects
5 consumers, is in the public interest, and is consistent with the purposes and provisions of the CSL.

6 2. Desist and Refrain Order for Violations of Section 25230. Pursuant to Corporations
7 Code section 25532, Choctaw and Hundley are hereby ordered to desist and refrain from any
8 unlicensed investment adviser activities, in violation of Corporations Code section 25230.

9 3. Order Denying The Investment Adviser Certificate: Pursuant to Corporations Code
10 section 25232 (e) and (f), the Commissioner hereby orders that the investment adviser application for
11 Choctaw be denied.

12 4. Bar Order. Pursuant to Corporations Code section 25232.1 and 25232 (e) and (f),
13 Hundley is barred from any position of employment, management, or control of any investment
14 adviser, broker-dealer, or commodity adviser, any officer, director, partner, employee of, or person
15 performing similar functions for, an investment adviser, or any other person. A copy of the bar order
16 is attached and incorporated as Exhibit A.

17 5. Waiver of Hearing Rights. Choctaw and Hundley acknowledge that the Commissioner
18 is ready, willing, and able to proceed with the filing of an administrative enforcement action on the
19 charges contained in this Consent Order. Choctaw and Hundley hereby waive the right to any
20 hearings, and to any reconsideration, appeal, or other right to review which may be afforded pursuant
21 to the CSL, the California Administrative Procedure Act, the California Code of Civil Procedure, or
22 any other provision of law. Choctaw and Hundley further expressly waive any requirement for the
23 filing of an action pursuant to Government Code section 11415.60 (b). By waiving such rights,
24 Choctaw and Hundley effectively consent to this Consent Order and all the terms becoming final.

25 6. Information Willfully Withheld or Misrepresented. This Consent Order may be
26 revoked, and the Commissioner may pursue any and all remedies available under law against
27 Choctaw and Hundley if the Commissioner discovers that Choctaw and Hundley knowingly or
28 willfully withheld or misrepresented information used for and relied upon in this Consent Order.

1 7. Future Actions by Commissioner. If Choctaw or Hundley fail to comply with any
2 terms of the Consent Order, the Commissioner may institute proceedings for any and all violations
3 otherwise resolved under this Consent Order. The Commissioner reserves the right to bring any future
4 actions against Choctaw and Hundley, for any and all unknown violations of the CSL or any other
5 law under the Commissioner’s jurisdiction.

6 8. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s
7 ability to assist any other government agency (whether city, county, state, or federal) with any
8 administrative, civil or criminal action brought by that agency against Choctaw and Hundley or any
9 other person based upon any of the activities alleged in this matter or otherwise.

10 9. Headings. The headings to the paragraphs of this Consent Order are inserted for
11 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
12 the provisions hereof.

13 10. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
14 interest.

15 11. Reliance. Each of the Parties represents, warrants, and agrees that in executing this
16 Consent Order it has relied solely on the statements set forth herein and the advice of its own counsel.
17 Each of the Parties further represents, warrants, and agrees that in executing this Consent Order it has
18 placed no reliance on any statement, representation, or promise of any other party, or any other
19 person or entity not expressly set forth herein, or upon the failure of any party or any other person or
20 entity to make any statement, representation or disclosure of anything whatsoever. The Parties have
21 included this clause: (1) to preclude any claim that any party was in any way fraudulently induced to
22 execute this Consent Order; and (2) to preclude the introduction of parol evidence to vary, interpret,
23 supplement, or contradict the terms of this Consent Order.

24 12. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
25 this Consent Order will be valid or binding unless it is in writing and signed by each of the Parties.
26 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
27 provision. No waiver by either party of any breach of, or of compliance with, any condition or

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1 provision of this Consent Order by the other party will be considered a waiver of any other condition
2 or provision or of the same condition or provision at another time.

3 13. Full Integration. This Consent Order is the final written expression and the complete
4 and exclusive statement of all the agreements, conditions, promises, representations, and covenant
5 between the Parties with respect to the subject matter hereof, and supersedes all prior or
6 contemporaneous agreements, negotiations, representations, understandings, and discussions between
7 and among the Parties, their respective representatives, and any other person or entity with respect to
8 the subject matter covered hereby.

9 14. Governing Law. This Consent Order will be governed by and construed in accordance
10 with California law. Each of the Parties hereto consents to the jurisdiction of such court, and hereby
11 irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the
12 maintenance of such action or proceeding in such court.

13 15. Counterparts. This Consent Order may be executed in one or more separate
14 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
15 together constitute a single document.

16 16. Effect Upon Future Proceedings. If Choctaw and Hundley apply for any license,
17 certificate, registration, permit, or qualification under the Commissioner’s current or future
18 jurisdiction, or is the subject of any future action by the Commissioner to enforce this Consent Order,
19 then the subject matter hereof shall be admitted for the purpose of such application(s) or enforcement
20 proceeding(s).

21 17. Voluntary Agreement. Choctaw and Hundley enters into this Consent Order
22 voluntarily and without coercion and acknowledges that no promises, threats or assurances have been
23 made by the Commissioner or any officer, or agent thereof, about this Consent Order. The Parties
24 each represent and acknowledge that he, she or it is executing this Consent Order completely
25 voluntarily and without any duress or undue influence of any kind from any source.

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1 18. Notice. Any notice required under this Consent Order shall be provided to each party
2 at the following addresses:

3 To Respondent: Lawrence B. Hundley
4 26329 Antonio Circle
5 Loma Linda, California 92354
choctawtrading@gmail.com

6 To the Commissioner: Ryan M. Cassidy, Counsel
7 Department of Financial Protection and Innovation
8 2101 Arena Boulevard
9 Sacramento, California 95834
Ryan.Cassidy@dfpi.ca.gov

10 19. Signatures. A fax or electronic mail signature shall be deemed the same as an original
11 signature.

12 20. Public Record. Choctaw and Hundley hereby acknowledge that this Consent Order is
13 and will be a matter of public record.

14 21. Effective Date. This Consent Order shall become final and effective when signed by
15 all Parties and delivered by the Commissioner’s agent via e-mail to Choctaw and Hundley, at
16 choctawtrading@gmail.com.

17 22. Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary
18 capacity and authority to sign and enter into this Consent Order and undertake the obligations set
19 forth herein.

20 Dated: November 17, 2023
21 Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner
Department of Financial Protection and Innovation



22 By _____
23 MARY ANN SMITH
24 Deputy Commissioner
25 Enforcement Division

26 Dated: November 17, 2023

27 By _____
28 LAWRENCE B. HUNDLEY, as an Individual
and for Choctaw Trading & Analytics, Inc.