

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE



In re:)
)
Daniel Ault and) P&S Docket No. 13-0328
Carrie Ault, dba) P&S Docket No. 13-0329
Strawtown Livestock Auction, LLC,)
)
Respondents)
) Consent Decision

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 et seq.), by a complaint filed by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that the respondents willfully violated the Act and the regulations promulgated thereunder (9 C.F.R. § 201.1 et seq.). This decision is entered pursuant to the consent decision provision of the rules of practice applicable to this proceeding (7 C.F.R. § 1.138).

The respondents admit the jurisdictional allegations in paragraph I of the complaint and specifically admit that the Secretary has jurisdiction in this matter, neither admit nor deny the remaining allegations, waive oral hearing and further procedure, and consent and agree, for the purpose of settling this proceeding and for such purpose only, to the entry of this decision.

The complainant agrees to the entry of this decision.

Findings of Fact

(a) Strawtown Livestock Auction, LLC was a limited liability company organized and operating under the laws of Indiana. It was administratively dissolved on March 14, 2013, and no longer operates. Its address was 22217 N SR 37, Noblesville, IN 46060

- (b) At all times material to this Complaint, Strawtown Livestock Auction, LLC was:
- (1) Wholly owned by respondents Daniel and Carrie Ault;
 - (2) Under the direction, management, and control of respondents Daniel and Carrie Ault;
 - (3) Engaged in the business of conducting and operating a posted stockyard subject to the provisions of the Packers and Stockyards Act;
 - (4) Engaged in the business of a market agency selling livestock on a commission basis in commerce; and
 - (5) Registered with the Secretary of Agriculture as a market agency to sell livestock on a commission basis in commerce.

(c) Respondent Daniel Ault is an individual. Respondent Daniel Ault's mailing address will not be stated in this consent decision to protect the privacy of Mr. Ault, but has been provided to the Hearing Clerk's Office, United States Department of Agriculture, for the purposes of service.

- (d) Respondent Daniel Ault was at all times material herein:
- (1) Fifty percent owner of Strawtown Livestock Auction LLC;
 - (2) Responsible for the direction, management and control of Strawtown Livestock Auction LLC;
 - (3) Engaged in the business of conducting and operating Strawtown Livestock Auction LLC;
 - (4) Engaged in the business of a dealer buying and selling livestock in commerce;
 - (5) Registered as a dealer to buy and sell livestock in commerce under the name Daniel Ault doing business as Dwault Livestock.

(e) Respondent Carrie Ault is an individual. Respondent Carrie Ault's mailing address will not be stated in this consent decision to protect the privacy of Ms. Ault, but has been

provided to the Hearing Clerk's Office, United States Department of Agriculture, for the purposes of service.

- (f) Respondent Carrie Ault was at all times material herein:
- (1) Fifty percent owner of respondent Strawtown Livestock Auction LLC;
 - (2) Responsible for the direction, management and control of Strawtown Livestock Auction LLC;
 - (3) Engaged in the business of conducting and operating Strawtown Livestock Auction LLC; and
 - (4) Engaged in the business of a market agency selling livestock on a commission basis in commerce.

Conclusions

The respondents having admitted the jurisdictional facts and the parties having agreed to the entry of this decision, such decision will be entered.

Order

Respondents Daniel Ault and Carrie Ault, dba Strawtown Livestock Auction, LLC, their agents and employees, directly or indirectly through any corporate or other device, shall cease and desist from:

1. Failing to properly maintain their Custodial Account for Shippers' Proceeds in strict conformity with the Act and section 201.42 of the regulations (9 C.F.R. § 201.42);
2. Failing to deposit in the Custodial Account for Shippers' Proceeds, within the time prescribed by section 201.42 of the regulations (9 C.F.R. § 201.42), an amount equal to the proceeds receivable for sales of consigned livestock;

3. Allowing funds received from the sale of consigned livestock to be used for any purpose other than those specifically permitted by section 201.42(d) of the regulations (9 C.F.R. § 201.42(d));

4. Selling livestock consigned to them for sale and failing to remit to consignors of livestock, when due, the net proceeds received from the sale of the livestock, as required by the Act and section 201.43 of the regulations (9 C.F.R. § 201.43).

5. Issuing checks in purported payment of net proceeds to consignors of livestock without having and maintaining sufficient funds on deposit and available in the Custodial Account for Shippers' Proceeds upon which they are drawn to pay such checks when presented.

The respondents shall keep and maintain accounts, records, and memoranda, which fully and correctly disclose the true nature of all transactions involved in their business subject to the Act as required by section 401 of the Act (7 U.S.C. § 221), including, but not limited to, an accurate general ledger, subsidiary ledgers, cash receipt journal, cash disbursement journal, accounts receivable and payable ledgers, and itemized deposit slips.

The respondents, only in their capacity as registrants who are registered with the Secretary of Agriculture as doing business in the name of Strawtown Livestock Auction, LLC are suspended as registrants for a period of 25 weeks (175 days) and thereafter until such time as respondents demonstrate to the satisfaction of GIPSA that they are in full compliance with the Act. Provided that respondents demonstrate to the satisfaction of GIPSA that they are in full compliance with the Act, any time after expiration of the initial 25-week period, upon application to GIPSA, a supplemental order may be issued lifting the suspension.

This order shall have the same force and effect as if entered after full hearing. The provisions of this order shall become effective on the sixth day after service of this consent decision and order on the respondents.

Copies of this decision shall be served upon the parties.

[Redacted signature]

Daniel Ault
Respondent

[Redacted signature]

Carrie Ault
Respondent

[Redacted signature]

Lauren C. Axley
Attorney for Complainant

Done at Washington, D.C.

this 20th day of October, 2013

[Redacted signature]

Administrative Law Judge