

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	
)	
Carolina Horse Sales, LLC)	P&S Docket No. 21-J-0048
)	
and)	
)	
Troy John Kain,)	P&S Docket No. 21-J-0049
)	
Respondents)	Consent Decision and Order

This proceeding was instituted under the Packers and Stockyards Act (the Act), 7 U.S.C. §§ 181 *et seq.*, by a Complaint filed by the Deputy Administrator, United States Department of Agriculture, Agricultural Marketing Service, Fair Trade Practices Program, Packers and Stockyards Division. The Complaint alleged that Respondents Carolina Horse Sales, LLC and Troy John Kain willfully violated the Act and the regulations promulgated thereunder (9 C.F.R. §§ 201.1 *et seq.*, the regulations), and 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).

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; waive all rights to seek judicial review and otherwise challenge or contest the validity of this decision, including waiving challenges to the Administrative Law Judge's authority to enter this Decision and Order under the Administrative Procedure Act and the Constitution of the United States; waive any action against the United States Department of Agriculture under the Equal Access to Justice Act of 1980 (5 U.S.C. § 504 *et seq.*) for fees and other expenses incurred by Respondents in connection

with this proceeding or any action against any USDA employee in their individual capacity. The parties consent and agree, for the purpose of settling this proceeding and for such purpose only, to the entry of this Decision.

Findings of Fact

1. Carolina Horse Sales, LLC (Respondent CHS) is or was a North Carolina Limited Liability Company, whose principal address is or was 110 Washburn Road, Madison, NC 27025-6237.
2. Respondent CHS, at all times material herein, was:
 - (a) Engaged in business of a market agency selling consigned livestock in commerce on a commission basis; and
 - (b) Registered with the Secretary of Agriculture as a market agency selling livestock in commerce on a commission basis.
3. Troy John Kain (Respondent Kain) is an individual, and at all times material herein was:
 - (a) President and 100 percent owner of Respondent CHS, directing, managing, and controlling all of the market agency's operations; and
 - (b) Registered Agent of Respondent CHS, with a listed address of 1100 Washburn Road, Madison, NC 27025.

Conclusions

Respondent CHS and Respondent Kain, having admitted the jurisdictional facts, and the parties having agreed to the entry of this Consent Decision, this Consent Decision will be entered.

Order

Respondents and Respondents' agents, employees, successors and assigns, directly or indirectly or through any corporate or other device, in connection with Respondents' activities subject to the Packers and Stockyards Act, shall cease and desist from:

- (1) Failing to properly maintain the Custodial Account for Shipper's Proceeds in strict conformity with the Act and section 201.42(a) of the Regulations (9 C.F.R. § 201.42(a));
- (2) Using funds received from the sale of consigned livestock for any purpose other than those specifically permitted by section 201.42 (d) of the Regulations (9 C.F.R. § 201.42(d));
- (3) Issuing checks in purported payment of livestock purchases without having and maintaining sufficient funds on deposit and available in the account upon which such checks are drawn to pay when presented;
- (4) Failing to remit, when due, the proceeds of livestock sales to consignors in strict conformity with section 201.43 of the Regulations (9 C.F.R. § 201.43);
and
- (5) Failing to keep such accounts records and memoranda as to fully and correctly disclose all transactions involved in Respondents' business.

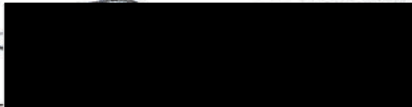
Respondent Carolina Horse Sales, LLC is suspended for a period of five (5) years.

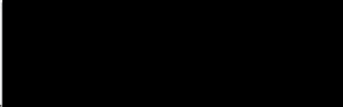
Respondent Troy John Kain is prohibited from registering, individually or otherwise, to engage in business subject to the Act for a period five (5) years, to commence on the effective date of this Order.

This Consent Decision and Order is not to be construed as in any way limiting the authority of the Packers and Stockyards Division to investigate and monitor Respondents' activities that are subject to the Act to assure the Respondents' compliance with the Act and Regulations during the period of suspension and prohibition or at any other time as authorized by the Act and Regulations.

This Consent Decision and Order shall have the same force and effect as if entered after a full hearing. The provisions of this Order shall become final and effective on the date that it is signed.

Copies of this decision shall be served upon the parties forthwith.


Troy John Kain
For Carolina Horse Sales, LLC
Respondent


Troy John Kain
Respondent

CHRISTOPHER YOUNG
Digitally signed by
CHRISTOPHER YOUNG
Date: 2021.07.22 14:03:15
-04'00'

Christopher Young
Attorney for the Complainant

Done at Washington, D.C.

this 23rd day of July, 2021

CHANNING
STROTHER

 Digitally signed by CHANNING
STROTHER
Date: 2021.07.23 14:31:10 -04'00'

Chief Administrative Law Judge