

1 his investing strategy; (b) repeatedly lying to investors about the reasons they were unable to withdraw their
2 funds from the program; and (c) misrepresenting to at least one investor, who believed they were purchasing
3 another investor's shares, his plans for the use of that investor's money.

4 **Beginning of the Fast Track Program**

5 3. Singleton generally located investors in the program through an investing class that he taught
6 regularly in Las Vegas. In approximately 2005, Singleton began soliciting students in the class and
7 acquaintances in similar circles to invest in what he referred to as the "Fast Track" program. Singleton
8 generally told investors that he would pool program participants' money together with his own funds, and
9 would manage the program himself. Singleton represented that he would trade a wide variety of assets, using
10 an investing strategy based on profiting from short-term price movements for those assets. At the outset of
11 the Fast Track program, Singleton told investors that the program would last for ten years, meaning that they
12 would receive payouts from the program in approximately 2015. Singleton did not provide Fast Track
13 investors with any materials disclosing the risks related to the program, and most investors interviewed by the
14 Division indicated that they did not receive any contract or other written materials in connection with their
15 investment.

16 4. Due to the length of time since the Fast Track program began, the Securities Division has been
17 unable to obtain bank records which would enable a complete analysis of the program and Singleton's use of
18 funds from investors. However, in several emails to investors, Singleton represented that there were 48
19 original investors in the program, many of whom had sold or otherwise disposed of their shares over time.
20 Singleton also claimed in a July 2017 email to investors that there was a total of "\$9 to \$10 Million" originally
21 invested in the program.
22
23

1 **Singleton’s False Claims About Regulatory Audits and Other Programs**

2 7. In addition to his false claims about the Fast Track program’s performance, Singleton lulled
3 investors with a wide range of false claims about why the program’s investors could not withdraw their money.
4 Most prominently, Singleton claimed in various emails from approximately 2017 to 2019 that the program
5 was being audited by the Securities and Exchange Commission (“SEC”), the Government Accountability
6 Office, and the Canadian counterpart to the SEC. While the SEC regulates many types of investments and
7 conducts examinations of its financial-industry licensees, it (a) does not perform audits, and (b) has no record
8 of ever having dealt with Singleton. And, while the Government Accountability Office does perform audits,
9 it does so only for federal government agencies, and does not and has never performed private-sector audits.

10 8. Singleton also claimed that distributions could not be made because the auditors were requiring
11 all investors in the program to pay “brokerage fees” of several hundred dollars before any distributions. The
12 Securities Division is not aware of any investment vehicle structures, laws, or regulatory practices which
13 would require investors to pay previously-undisclosed “brokerage fees” before distributions would be
14 allowed. To the extent that this structure exists at all, it would be a material omission to fail to disclose to
15 investors that their investment could be locked up if a co-investor failed to make a required payment.

16 9. Singleton also claimed, in an August 2020 email, to have significant assets invested in a “Bond
17 Redemption Program, tied to the reinstatement of the Iraqi Dinar,” which he claimed would be used to pay
18 investors if the Fast Track program was not approved to make distributions. The dinar, which is Iraq’s main
19 currency and lost significant value during the United States’ invasion of Iraq, has been a common avenue for
20 scammers for at least the past decade. Singleton claimed that the Iraqi dinar program in which he was investing
21 “had enough bonds of value to literally pay-off the American National debt...twice over and then some.”
22 According to data from the World Bank, Iraq’s GDP in 2020 was \$184.37 billion, approximately 0.68% of
23 the \$26.95 trillion total value of the US national debt at that time. Given that it would take approximately 147

1 years of Iraq's total GDP to pay off the US national debt, Singleton's claim that any Iraqi bond program could
2 be worth the stated amounts is extraordinarily implausible.

3 **Singleton's Share Buyout Fraud**

4 10. Singleton also repeatedly defrauded one investor, A.B., by falsely representing that other
5 investors in the Fast Track program wanted to sell their shares and taking payments from A.B. to buy them.
6 Singleton never told A.B. whose shares he was supposedly purchasing, and did not provide A.B. with any
7 documentation of the share purchases. From October 2015 to August 2018, A.B. sent Singleton 19 different
8 payments totaling over \$2.3 million, which A.B. believed were to buy out the shares of other investors who
9 wanted to exit the Fast Track program. While some payments did go to other investors during this period, the
10 overwhelming majority was spent on Singleton's personal expenses. In total, approximately \$485,000 went
11 to other Fast Track investors from October 2015 to August 2018, while the remainder of A.B.'s funds
12 (approximately \$1.8 million) were spent on Singleton's personal expenses such as credit card payments, taxes,
13 Singleton's mortgage, and a car and tuition payments for Singleton's family members.

14 **Registration Status**

15 11. The Fast Track program is not, and has never been, registered to sell its securities in the State
16 of Washington, nor has it filed a claim of exemption from registration.

17 12. Darrell Singleton is not, and has never been, registered as an investment adviser, investment
18 adviser representative, broker-dealer, or securities salesperson in the State of Washington.

19 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

20 **CONCLUSIONS OF LAW**

21 1. The offer and/or sale of the Fast Track program interests, as described above, constitute the
22 offer and/or sale of a security as defined in RCW 21.20.005(14) and (17).
23

1 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent Order.

2 IT IS FURTHER AGREED that the Respondent, the Estate of Darrell Singleton, enters into this
3 Consent Order freely and voluntarily and with a full understanding of its terms and significance.

4 IT IS FURTHER AGREED that in consideration of the foregoing, the Respondent, the Estate of
5 Darrell Singleton, waives its right to a hearing and to judicial review of this matter pursuant to RCW 21.20.440
6 and Chapter 34.05 RCW.

7 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

8
9 Signed this 28th day of June, 2023.

10
11 Signed by:

12 Estate of Darrell Singleton

13
14 /s
15 Gay Singleton
16 Personal Representative

17 Approved as to form by:

18
19 /s
20 Rick Hoefel, Attorney for Estate of Darrell Singleton
21 WSBA #17865

22
23 SIGNED and ENTERED this 12th day of July, 2023.

