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IN THE MATTER OF:

THE CHEETAH FUND L.P.

**C.M. ALLEN CAPITAL
MANAGEMENT, INC.**

**CRAIG MURFEE ALLEN
(CRD. No. 2625516)**

(“Respondents”)

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CONSENT ORDER

DOCKET NO. CO-25-202310-S

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”), and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking, conducted an investigation pursuant to Section 36b-26(a) of the Act into the activities of Respondents to determine if they violated, were violating or were about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, as a result of the Investigation, on May 20, 2024, the Commissioner, acting pursuant to Section 36b-27 of the Act, issued an Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing against Respondents (Docket No. CRF-24-202310-S) (collectively, “Notice”), which Notice is incorporated by reference herein;

WHEREAS, on June 10, 2024, Respondents requested a hearing on the matters alleged in the Notice;

WHEREAS, on July 22, 2024, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer, wherein the Commissioner appointed Department of Banking Attorney Eric Beckenstein as the Hearing Officer and scheduled a hearing on the matters alleged in the Notice for October 30, 2024 (“Hearing”);

WHEREAS, there are four matters pending in the Northern District of Georgia against Respondent Craig Murfee Allen (“Allen”), arising out the same set of facts and allegations in the Notice: *United States v. Allen*, No. 1:24-cr-00130-TWT-JSA-1 (“Criminal Indictment”); *Grady Kittrell et al. v. Craig Allen et al.*, Civil Action No. 1:24-cv-00786 (N.D.Ga.) (“Civil Matter”); *Securities and Exchange Commissioner v. Craig Allen*, Civil Action NO. 1:24-cv-01771 (N.D.Ga.) (“SEC Matter”); and *United States v. Allen*, 1:24-cr-00323-TWT (N.D.Ga.) (“Criminal Information”);

WHEREAS, the Criminal Indictment charges Allen with engaging in a scheme and artifice to defraud Cheetah Fund investors, causing the transmission of interstate wire communications, and engaging in wire fraud, money laundering, and securities fraud. The Civil Matter and SEC Matter both allege that Allen engaged in multiple securities fraud violations based on Allen’s misrepresentations to investors that induced investors to invest in the Cheetah Fund and that Allen misappropriated investor funds to pay his personal expenses. The Criminal Information charges Allen with engaging in interstate transportation of money taken through a scheme to defraud Cheetah Investors;

WHEREAS, on August 1, 2024, the court in the Civil Matter stayed the Civil Matter and the SEC Matter pending the resolution of the Criminal Indictment;

WHEREAS, on September 19, 2024, the Hearing Officer granted the joint request of the parties to stay the current matter pending the resolution of the Criminal Indictment;

WHEREAS, a Criminal Information was filed on October 15, 2024, and on that same day, Allen and the U.S. Attorney for the Northern District of Georgia jointly filed a Guilty Plea and Plea Agreement (“Guilty Plea”), wherein Allen pled guilty to engaging in interstate transportation of money taken through

a scheme to defraud the Cheetah Investors. The Guilty Plea resolved the counts in both the Criminal Indictment and Criminal Information;

WHEREAS, on January 17, 2025, the Commissioner issued a Redesignation of Hearing Officer, wherein the Commissioner appointed Department of Banking Attorney Stacey Serrano as the Hearing Officer;

WHEREAS, on January 21, 2025, the Court in the Criminal Information entered a “Judgment in a Criminal Case” in the *United States v. Allen*, 1:24-cr-00323-TWT (N.D.Ga). The Court sentenced Allen to the following: 1) 87 months of imprisonment in the custody of the Federal Bureau of Prisons, and three years of supervised release thereafter; 2) restitution in the amount of \$9,240,521; and 3) special assessment of \$100. The Court found that Allen “does not have the ability to pay a fine and cost of incarceration,” and therefore waived the fine and cost of incarceration which otherwise would have been ordered;

WHEREAS, Section 36b-27(f) of the Act provides, in relevant part, that “[a]ny time after the issuance of an order or notice provided for in subsection (a), (b) . . . or subdivision (1) of subsection (d) of this section, the commissioner may accept an agreement by any respondent named in such order or notice to enter into a written consent order in lieu of an adjudicative hearing”;

WHEREAS, Section 36b-31(a) of the Act provides, in relevant part, that “[t]he commissioner may from time to time make . . . such . . . orders as are necessary to carry out the provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, Section 36b-31(b) of the Act provides, in relevant part, that “[n]o . . . order may be made . . . unless the commissioner finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, an administrative proceeding initiated under Section 36b-27 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

WHEREAS, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, Respondents and the Commissioner now desire to resolve the matters alleged in the Notice without the need for further administrative proceedings;

WHEREAS, Respondents expressly consent to the Commissioner's jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the Commissioner finds that the issuance of this Consent Order is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act;

WHEREAS, the Commissioner has been provided with information indicating that Allen is financially unable to pay the administrative fine of one hundred thousand dollars (\$100,000) that otherwise would have been imposed against him by the Commissioner, and that such fine will be stayed for a period of three years (as set forth in Section IV below);

WHEREAS, Respondents acknowledge that they have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and that they execute this Consent Order freely;

AND WHEREAS, Respondents, through their execution of this Consent Order, specifically assure the Commissioner that none of the violations alleged in the Notice or this Consent Order shall occur in the future.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Respondents, through their execution of this Consent Order, voluntarily waive the following rights:

1. To be afforded an opportunity for a hearing within the meaning of Section 36b-27 of the Act and Section 4-177(a) of the General Statutes of Connecticut;
2. To present evidence and argument and to otherwise avail themselves of Section 36b-27 of the Act and Section 4-177(c) of the General Statutes of Connecticut;

3. To present their position in a hearing in which they are represented by counsel;
4. To have a written record of the hearing made and a written decision issued by a hearing officer; and
5. To seek judicial review of, or otherwise challenge or contest the matters described herein, including the validity of this Consent Order.

III. ACKNOWLEDGEMENT OF THE COMMISSIONER'S ALLEGATIONS

WHEREAS, Respondents, through their execution of this Consent Order, acknowledges the following allegations of the Commissioner:

1. Respondents violated Section 36b-16 of the Act by offering and selling securities that were not registered under Section 36b-16 of the Act nor the subject of a filed exemption claim or claim of covered security status; and

2. Respondents violated Section 36b-4(a) of the Act by, in connection with the offer, sale or purchase of any security, directly or indirectly employing a device, scheme or artifice to defraud, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or engaging in an act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

WHEREAS, the Commissioner would have the authority to enter findings of fact and conclusions of law after granting Respondents an opportunity for a hearing;

AND WHEREAS, Respondents acknowledge the possible consequences of an administrative hearing and voluntarily agree to consent to the entry of the sanctions described below.

IV. CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Respondents, through their execution of this Consent Order, consent to the Commissioner's entry of a Consent Order imposing on them the following sanctions:

1. Respondents shall cease and desist from directly or indirectly violating the provisions of the Act or any regulation, rule or order adopted or issued under the Act, including without limitation, engaging in any activity in or from Connecticut that violates Sections 36b-16 and 36b-4(a) of the Act;
2. From the date this Consent Order is entered by the Commissioner, Allen shall be **BARRED** from directly or indirectly, through any person, organization, entity or other device, (i) offering or selling securities in or from Connecticut; (ii) transacting business in or from Connecticut as a broker-dealer, agent, investment adviser or investment adviser agent, as such terms are defined in the Act and notwithstanding any definitional exclusion that might otherwise be available under the Act; and (iii) acting in any other capacity which requires a license or registration from the Commission; and,
3. Based on information received by the Division regarding Allen's financial inability to pay a fine, including the "Judgment in a Criminal Case" referenced above in the *United States v. Allen*, 1:24-cr-00323-TWT matter, the imposition of the fine of one hundred thousand dollars (\$100,000) that otherwise would have been imposed against Respondents pursuant to Section 36b-27 of the Act shall be temporarily stayed for three years from the date this Consent Order is entered by the Commissioner, provided that such stay shall no longer be in force and effect, and the applicable Respondent will be obligated to immediately pay a fine of one hundred thousand dollars (\$100,000) if the Commissioner ascertains at any time within the three year stay that any Respondent is able to pay an administrative fine. This paragraph is without prejudice to the right of the Commissioner, in his discretion, to take such further action on the matter in the future following expiration of the temporary stay as may be warranted by the then existing circumstances. Each Respondent, through their execution of this Consent Order, knowingly, wilfully and voluntarily waives their right to notice and an administrative hearing in conjunction with the implementation of this paragraph; provided, however, that, prior to invoking any enforcement measures contemplated by this paragraph, the Commissioner shall provide the applicable Respondent with an informal opportunity to demonstrate compliance with this Consent Order. After the expiration of three years from the date this Consent Order is entered, if the Division determines that Respondents are still unable to pay the administrative fine, such fine will be waived.

V. CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Entry of this Consent Order by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Respondents based upon a violation of this Consent Order or the matters underlying its entry if the Commissioner determines that compliance with the terms herein is not being observed;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against Respondents based upon evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation, rule or order adopted or issued under the Act, including but not limited to, evidence of additional investors that the Commissioner is unaware of at the entry of this Consent Order;

4. Respondents shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis;
5. Respondents shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. However, nothing in this Consent Order affects Respondents' (i) testimonial obligations; or (ii) right to take any legal or factual position in litigation, arbitration, or other legal proceedings in which the Commissioner is not a party; and
6. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 10th day of June 2025.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Craig Murfee Allen, state that I have read the foregoing Consent Order; that I know and fully understand its contents; that I agree freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that I consent to the entry of this Consent Order.

_____/s/_____
Craig Murfee Allen

State of: Alabama

County of: Montgomery

On this the 20th day of May 2025, before me, the undersigned officer, personally appeared Craig Murfee Allen, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 8-26-2028

CONSENT TO ENTRY OF ORDER

I, Craig Murfee Allen, state on behalf of The Cheetah Fund L.P. (“Cheetah Fund”), that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Cheetah Fund; that Cheetah Fund agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Cheetah Fund consents to the entry of this Consent Order.

The Cheetah Fund L.P.

By: /s/
 Craig Murfee Allen
 President of C.M. Allen Capital Management, Inc.
 (The Cheetah Fund L.P.'s General Partner)

State of: Alabama

County of: Montgomery

On this the 20th day of May 2025, before me, the undersigned officer, personally appeared Craig Murfee Allen, who acknowledged himself to be the President of C.M. Allen Capital Management, Inc., and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of C.M. Allen Capital Management, Inc. by himself as President.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 8-26-2028

CONSENT TO ENTRY OF ORDER

I, Craig Murfee Allen, state on behalf of C.M. Allen Capital Management, Inc. ("C.M. Allen"), that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of C.M. Allen; that C.M. Allen agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that C.M. Allen consents to the entry of this Consent Order.

C.M. Allen Capital Management, Inc.

By: /s/
Craig Murfee Allen
President

State of: Alabama

County of: Montgomery

On this the 20th day of May 2025, before me, the undersigned officer, personally appeared Craig Murfee Allen, who acknowledged himself to be the President of C.M. Allen Capital Management, Inc., and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of C.M. Allen Capital Management, Inc., by himself as President.

In witness whereof I hereunto set my hand.

 /s/
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 8-26-2028