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2020 DEC 28 AM 8:03

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :

v. :

DOCKET NO. 20 0060 (BNK-CAO)

VENDENGINE, INC. :  
: :  
:

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Compliance Office has evaluated the business practices of VendEngine, Inc. ("VendEngine"). Based on the results of its evaluation, together with certain disclosures VendEngine made to the Department, the Compliance Office believes that VendEngine operated in violation of the Money Transmitter Act ("MTA"), 7 P.S. § 6101 *et seq.* VendEngine, in order to avoid the time and expense of litigating this matter, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agrees to the terms of this Consent Agreement and Order ("Order").

**BACKGROUND**

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the MTA.
2. The Compliance Office has the primary responsibility of administering and enforcing the MTA for the Department.
3. VendEngine is a corporation that engages in the business of transferring money electronically from individuals to other individuals for a fee.
4. VendEngine is incorporated in Tennessee with its principal place of business located

at 1000 Health Park Drive, Suite 470, Brentwood, TN 37027.

5. On September 22, 2020, VendEngine submitted a license application to the Department.

#### Unlicensed Money Transmission

6. Section 2 of the MTA provides that:

No person shall engage in the business of transmitting money by means of a transmittal instrument for a fee or other consideration with or on behalf of an individual without first having obtained a license from the department. *See* 7 P.S. § 6102

7. A person includes an “individual or an organization...” 7 P.S. § 6101.

8. A transmittal instrument is “any check, draft, money order, personal money order, or *method for the payment of money or transmittal of credit...*” 7 P.S. § 6101 (emphasis added).

9. Exemptions to licensure apply under Section 3 of the MTA. 7 P.S. § 6103.

10. On and after January 3, 2017, the Department has the authority under the MTA to impose orders and issues fines up to \$10,000 for each offense. 7 P.S. § 6116 (as amended by the act of Nov. 3, 2016, P.L. 1002, No. 129).

11. Prior to January 3, 2017, the Department had the authority to impose orders and issue fines up to \$2,000 for each offense. 7 P.S. § 6116.

12. VendEngine is not, and has never been, licensed as a money transmitter by the Department.

#### **VIOLATIONS**

13 The Department alleges that, by transferring money by means of a transmittal instrument for Pennsylvania consumers for a fee or other consideration without a money transmitter license and without qualifying for an agency exemption to licensure, VendEngine violated Section 2 of the MTA, 7 P.S. § 6102.

## RELIEF

14. Fine. Within 30 days of the Effective Date of this Order, as defined in Paragraph 22, VendEngine shall pay the Department a fine in the amount of forty-three thousand six hundred dollars (\$43,600). Payment shall be made by ACH or wire transfer, or if ACH or wire transfer is unavailable by certified check or money order made payable to the "Department of Banking and Securities" and shall be mailed or delivered, in person, to the Compliance Office, located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

15. License. Upon the Effective Date of this Order, VendEngine's money transmitter license application will be approved by the Licensing Office. Should VendEngine, and its subsidiaries and affiliates, fail to comply with any of the terms set forth in the Order, including failure to pay their fine in a timely manner, the Department reserves the right to take enforcement action against VendEngine or its affiliates and subsidiaries, including suspension, revocation or refusal to renew a money transmitter license.

16. Corrective Action. VendEngine, its affiliates or subsidiaries, shall not engage in the business of money transmission for a fee or other consideration without maintaining a money transmitter license in Pennsylvania.

## FURTHER PROVISIONS

17. Consent. VendEngine hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Compliance Office's order authority under the MTA and agrees that it understands all of the terms and conditions contained herein. VendEngine, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

18. Publication The Department will publish this Order pursuant to its authority in Section

302.A(5) of the Department of Banking Code. 71 P.S. 733-302.A(5)

19. Entire Agreement. This Order contains the entire agreement between the Department and VendEngine. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Compliance Office and VendEngine. This Order will resolve all known issues between VendEngine, Inc. and the Department to date.

20. Binding Nature. The Department, VendEngine, and all officers, owners, directors, employees, heirs and assigns of VendEngine intend to be and are legally bound by the terms of this Order.

21. Counsel. This Order is subject to review by the Department's Legal Division. This Order is entered into by the parties upon full opportunity for legal advance from legal counsel.

22. Effectiveness. VendEngine hereby stipulates and agrees that the Order shall become effective on the date that the Department's Legal Division docket this Order ("Effective Date").

23. Other Enforcement Action.

- a. This Order will resolve all known issues between VendEngine, Inc., its officers, directors, owners, employees, and/or agents and the Department to date. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against VendEngine in the future regarding all matters not resolved by this Order.
- b. VendEngine acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order

24. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

25. Counterparts. This Order may be executed in separate counterparts, by facsimile or electronic mail in portable document format "PDF".

26. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Compliance Office and VendEngine, Inc., intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF  
PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES**

**FOR VENDEGINE, INC.**

Redacted

Redacted

James Keiser, Chief  
Compliance Office

~~Redacted~~  
(Officer Signature)

Date: 12/08/2020

Silas Deane  
(Print Officer Name)

President  
(Title)

Date: 12/8/2020

