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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF  
BANKING AND SECURITIES

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COMMONWEALTH OF PENNSYLVANIA: :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :  
: :  
v. : DOCKET NO. 22 0048 (BNK-CAO)  
: :  
WEST REALM SHIRES SERVICES INC. :  
d/b/a FTX US :  
: :

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**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 West Realm Shires Services Inc., d/b/a FTX US (“FTX US”). Based on the results of its evaluation, together with certain disclosures FTX US made to the Department, the Compliance Office believes that FTX US no longer meets the minimum licensing requirements in the Money Transmitter Act (“MTA”), 7 P.S. § 6101 *et seq.* FTX US, 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. FTX US was granted Money Transmitter license # 93683 on November 29, 2021.
4. FTX US filed Chapter 11 in the United States Bankruptcy Court for the District of Delaware on November 11, 2022 as “Case No. 22-11071(JTD).”

5. FTX US had several changes in control persons including officers, executives, and other management.

6. The Department received notification that the bond required in the MTA would be cancelled in the near future for FTX US.

7. The Department alleges that, FTX US no longer meets the minimum licensing requirements found in the MTA.

### **RELIEF**

8. License. Upon the Effective Date of this Order, FTX US agrees to a SUSPENSION of Money Transmitter license 93683. The suspension shall remain in place until such time as FTX US provides evidence that it meets the minimum licensing requirements, has a satisfactory Examination conducted by the Department, and the Department lifts said suspension. FTX US shall not engage in the business of money transmission for a fee or other consideration without maintaining an approved money transmitter license in Pennsylvania.

9. Reporting. FTX US agrees, to the extent practicable, to respond to reasonable requests from the Department seeking information concerning any FTX US transactions with Pennsylvania consumers.

### **FURTHER PROVISIONS**

10. Consent. FTX US 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. FTX US 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.

11. 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).

12. Entire Agreement. This Order contains the entire agreement between the Department and FTX US. 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 FTX US.

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

14. 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 advice from legal counsel.

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

16. Other Enforcement Action.

- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against FTX US in the future regarding all matters not resolved by this Order.
- b. FTX US 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.

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

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

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

FOR THE COMMONWEALTH OF  
PENNSYLVANIA  
DEPARTMENT OF BANKING AND  
SECURITIES

WEST REALM SHIRES SERVICES  
INC. *d/b/a* FTX US

Redacted

Redacted

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John Talalai, Director  
Compliance Office

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*John G. Ray III*  
Chief Executive Officer and Chief  
Restructuring Officer

Date: 11/23/2022

Date: 11/22/2022

