

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

In the matter of  
PRIMEPAY, LLC

Docket No. 2020-12-07  
AGREEMENT AND ORDER

The Department of Finance, acting through its Securities Bureau (“Department”), pursuant to authority under the Idaho Money Transmitter Act, Idaho Code § 26-2901, *et seq.*, has reasonable grounds to believe that violations of the Idaho Money Transmitter Act (“Act”) have occurred. PrimePay, LLC (“Respondent”) and the Department have agreed to resolve this matter without a public hearing or adjudication of this matter. Therefore, the Director of the Department (“Director”) deems it appropriate and in the public interest, that this Agreement and Order be entered into, and Respondent consents to the entry of this Agreement and Order.

**RESPONDENT**

1. Respondent PrimePay, LLC has been a Delaware limited liability company since October 26, 2006. Respondent has a money transmission license application pending with the Department. Respondent’s principal office and mailing address is 1487 Dunwoody Drive, West Chester, Pennsylvania 19380.

2. Respondent provides financial services to clients involving money transmission including comprehensive payroll, human resources, employee benefits, retirement, and insurance services for small to medium sized businesses in the United States.

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### **BACKGROUND**

3. On July 10, 2020, the Department sent an inquiry to Respondent requesting information regarding its business plan, flow of funds, and details regarding transactional information involving Idaho businesses and consumers.

4. On August 11, 2020, Respondent provided the requested business plan, flow of funds, and a summary of business conducted in Idaho since June 15, 2015. Respondent disclosed unlicensed money transmission activity in Idaho since at least June 15, 2015 through December 31, 2019, with transactions totaling \$17,795,399.00.

5. The Department has never received a complaint regarding Respondent's business.

### **FINDINGS OF VIOLATION**

6. Idaho Code § 26-2903(1) provides that "no person except a person exempt pursuant to the provisions of section 26-2904, Idaho Code, shall engage in the business of money transmission without a license as provided in accordance with the provisions of this chapter."

7. Respondent is not an exempt entity as identified under Idaho Code § 26-2904, or any other applicable law or rule.

8. Respondent operated as an unlicensed money transmitter in violation of the Act from June 15, 2015 to the present.

9. Idaho Code § 26-2923(1) provides that the Director may order a civil penalty of up to one thousand dollars (\$1,000) for each violation, or in the case of continued violation, one thousand dollars (\$1,000) for each day that the violation continues, not to exceed twenty-five thousand dollars (\$25,000) in the aggregate.

**ACKNOWLEDGMENT AND REMEDIES**

10. To resolve the pending dispute economically and efficiently, the parties agree to this Agreement and Order in lieu of other proceedings.

11. Respondent admits the foregoing facts and Findings of Violation.

12. Respondent waives its right to notice and opportunity for hearing on this matter provided by Idaho Code § 26-2923 and under the contested case provisions of the Idaho Administrative Procedures Act, Idaho Code § 67-5240 *et seq.* Respondent further waives its right to seek judicial review of this Agreement and Order. The terms contained herein constitute the entire agreement between the Department and Respondent.

13. Respondent represents the information provided to the Department in its investigation of this matter, and during the licensing application review process, is complete and accurate.

14. Respondent represents it will be operating in full compliance with the Act in the future. In the event Respondent commits future violations of the Act or fails to adhere to the terms of this Agreement and Order, Respondent acknowledges that the Department can incorporate the facts and findings giving rise to this Order in any future proceedings.

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15. Respondent agrees to pay a civil penalty of ten thousand dollars (\$10,000.00) to the Department for the violations of the Act, pursuant to Idaho Code § 26-2923. Said civil penalty is to be paid not later than thirty (30) days from the date the Director executes this Order. Payment shall be made payable to the "Idaho Department of Finance."

AGREED TO and ACKNOWLEDGED this 18th day of November, 2020.



Digitally signed by William J. Pellicano  
DN: cn=William J. Pellicano, o, ou,  
email=wjpellicano@primepay.com, c=US  
Date: 2020.11.18 17:46:15 -05'00'

PRIMEPAY, LLC

BY: William J. Pellicano, CEO



PATRICIA HIGHLEY, Securities Bureau Chief  
Idaho Department of Finance

**IT IS SO ORDERED**

DATED this 17th day of November, 2020.



PATRICIA R. PERKINS, Director  
Idaho Department of Finance

