

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

In the matter of

WAVE FINANCIAL USA INC.,

Docket No. 2021-12-01

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. Wave Financial USA Inc. (“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 has been a Delaware corporation since May 21, 2019. Respondent’s principal office and mailing address is 1550 Wewatta Street, Suite 200, Denver, CO 80202.
2. Respondent is a for-profit financial management software company that aims to change how small and micro business owners and entrepreneurs transmit money.

BACKGROUND

3. Respondent has applied for an Idaho money transmitter license, with its application being deemed completed on November 17, 2020.
4. As part of the application review, the Department requested confirmation that Respondent did not conduct money transmitter activity in Idaho without licensure. In connection with this request, Respondent disclosed money transmission activity which the Department has

determined requires a license, and which occurred from February 26, 2018 through April 30, 2020, involving one thousand four hundred ninety-seven (1,497) transactions totaling \$1,056,365.00.

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

FINDINGS OF VIOLATIONS

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. The Director has determined that Respondent operated as an unlicensed money transmitter in violation of the Act from approximately December 1, 2019 through 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 the violation continues, not to exceed twenty-five thousand dollars (\$25,000) in the aggregate.

ACKNOWLEDGMENT AND REMEDIES

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

11. Respondent neither admits nor denies the foregoing facts and Findings of Violations.

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 at Title 67, Chapter 52, Idaho Code. Respondent further waives its right to seek judicial review of this Agreement and Order. The terms contained in this Order herein constitute the entire agreement between the Department and Respondent.

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

14. In the event that Respondent fails to adhere to the terms of this Agreement and Order, Respondent acknowledges the Department can incorporate the facts and findings giving rise to this Order in any future proceedings. Respondent also acknowledges that once licensed it will be required to operate in full compliance with the Act.

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15. Respondent agrees to pay a civil penalty of fifteen thousand dollars (\$15,000.00) 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 _____ day of _____, 2021.



WAVE FINANCIAL USA INC.

BY: Kirk Simpson

CEO



7/27/21

PATRICIA HIGHLEY, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this 27th day of July, 2021.



PATRICIA R. PERKINS, Director
Idaho Department of Finance

Agreement and Order - WAVE FINANCIAL USA INC

Final Audit Report

2021-07-27

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"Agreement and Order - WAVE FINANCIAL USA INC" History

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