

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

STATE OF IDAHO, Department of Finance,
Securities Bureau,

Complainant,

vs.

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

Respondent.

Docket No. 2023-12-01

**CONSENT AGREEMENT AND
ORDER**

The Director of the Department of Finance, State of Idaho (“Director”), 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 of Finance (“Department”), the Director believes that FTX US no longer meets the minimum licensing requirements in the Idaho Money Transmission Act (“the Act”) Idaho Code § 26-2901, *et seq.* Accordingly, 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 Idaho administrative agency authorized and empowered to administer and enforce the Act.
2. The Director has the responsibility of administering and enforcing the Act in Idaho.
3. FTX US was granted Idaho Money Transmitter license MTL-299 on March 3, 2022.
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 alleges that FTX US no longer meets the minimum licensing requirements found in Idaho Code § 26-2901, *et seq.*

RELIEF

7. License. Upon the Effective Date of this Order, FTX US agrees to surrender its Idaho Money Transmitter license MTL-299. 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 Idaho.

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

FURTHER PROVISIONS

9. 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 Act. 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.

10. 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 Director and FTX US.

11. 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.

12. Hearing Waiver FTX US 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. FTX US further waives its right to seek judicial review of this Agreement and Order.

13. Counsel. This Order is subject to review by the Department's Deputy Attorney General. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

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

15. 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.


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

17. 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 Department and FTX US, intending to be legally bound, do hereby execute this Consent Agreement and Order.

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

DATED: 1/16/2023



JOHN J. RAY III
Chief Executive Officer and Chief Restructuring Officer

IDAHO DEPARTMENT OF FINANCE

DATED: 1/17/2023



_____, Securities Bureau Chief
Idaho Department of Finance

IT IS SO ORDERED

DATED this 23rd day of January, 2023.



PATRICIA R. PERKINS, Director
Idaho Department of Finance

