
IN THE MATTER OF:

**WEST REALM SHIRES SERVICES
INC. d/b/a FTX US
NMLS # 1957771**

(“Respondent”)

**ORDER REVOKING MONEY
TRANSMISSION LICENSE**

ORDER TO CEASE AND DESIST

AND

ORDER IMPOSING CIVIL PENALTY

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Part V of Chapter 668, Sections 36a-595 to 36a-612, inclusive, of the Connecticut General Statutes, known as the “Money Transmission Act”;

WHEREAS, pursuant to the authority granted by Section 36a-17 of the Connecticut General Statutes, the Commissioner, through the Consumer Credit Division of the Department of Banking, has investigated the activities of Respondent to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner (“Investigation”);

WHEREAS, as a result of such Investigation, on August 3, 2023, the Commissioner issued a Notice of Automatic Suspension, Notice of Intent to Revoke Money Transmission License, Notice of Intent to Issue Order to Cease and Desist, Notice of Intent to Impose Civil Penalty and Notice of Right to Hearing (collectively “Notice”) against Respondent, which Notice is incorporated herein by reference;

WHEREAS, on August 4, 2023, the Notice was caused to be mailed by certified mail, return receipt requested, to Respondent (Certified Mail No. 70162710000058970441) and transmitted via

electronic mail at the electronic mail address provided for the primary contact in the employee fields on the Nationwide Multistate Licensing System and Registry;

WHEREAS, the Notice provided Respondent with the opportunity for a hearing and stated that if a hearing was not requested by Respondent within 14 days of its receipt of the Notice or if Respondent failed to appear at any such hearing, the allegations would be deemed admitted, and the Commissioner would issue an order revoking Respondent's license to engage in the business of money transmission in Connecticut, an order that Respondent cease and desist from engaging in an unsafe or unsound practice within the meaning of Section 36a-608(a) of the Connecticut General Statutes, and may order a civil penalty in an amount not to exceed One Hundred Thousand Dollars (\$100,000) per violation be imposed upon Respondent;

WHEREAS, the Notice was deemed received by Respondent on the earlier of the date of actual receipt, or seven days after mailing or sending, pursuant to Sections 36a-51(a), Sections 36a-52(a) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, Respondent failed to request a hearing within the prescribed time period;

WHEREAS, the Commissioner alleged in the Notice, with respect to the activity described therein, that Respondent's failure to transmit monetary value received from Connecticut purchasers is a conduct that is likely to materially prejudice the interests of purchasers, which constitutes an unsafe or unsound practice within the meaning of Section 36a-608(a) of the Connecticut General Statutes. Such conduct constitutes sufficient grounds to revoke Respondent's license to engage in the business of money transmission in Connecticut pursuant to Section 36a-608(b)(5) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-608(c) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty against Respondent pursuant to Sections 36a-608(c) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, the Commissioner also alleged in the Notice, with respect to the activity described therein, that Respondent's failure to maintain a surety bond that runs concurrently with the period of its

money transmission license, as required pursuant to Section 36a-602(a) of the Connecticut General Statutes, constitutes sufficient grounds for the Commissioner to deny an initial license under Section 36a-598 of the Connecticut General Statutes and constitutes sufficient grounds for the Commissioner to revoke Respondent's license to engage in the business of money transmission in Connecticut pursuant to Sections 36a-602(c) and 36a-608(b) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes;

WHEREAS, Section 36a-51(b) of the Connecticut General Statutes provides, in pertinent part, that “[i]f the licensee does not request a hearing within the time specified in the notice . . . , the commissioner shall . . . revoke . . . the license. No such license shall be . . . revoked except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-52(a) of the Connecticut General Statutes provides, in pertinent part, that “[i]f the person does not request a hearing within the time specified in the notice . . . , the commissioner shall issue an order to cease and desist against the person. No such order shall be issued except in accordance with the provisions of chapter 54”;

WHEREAS, Section 36a-50(a)(2) of the Connecticut General Statutes provides, in pertinent part, that “[i]f such person does not request a hearing within the time specified in the notice . . . , the commissioner may, as the facts require, order that a civil penalty not exceeding one hundred thousand dollars per violation be imposed upon such person”;

WHEREAS, Section 36a-50(a)(3) of the Connecticut General Statutes provides that “[e]ach action undertaken by the commissioner under this subsection shall be in accordance with the provisions of chapter 54”;

AND WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that “[w]hen a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies”.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the matters asserted, as set forth in paragraphs 6 to 15, inclusive, of Section II of the Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the Connecticut General Statutes, and that the conclusions, as set forth in paragraphs 16 and 17 of Section III of the Notice, shall constitute conclusions of law within the meaning of Section 4-180(c) of the Connecticut General Statutes and Section 36a-1-52 of the Regulations of Connecticut State Agencies.

2. The Commissioner finds that Respondent engaged in acts or conduct which constitutes sufficient grounds for the Commissioner to issue an order to revoke Respondent's money transmission license in Connecticut pursuant to Sections 36a-608(b)(5), 36a-602(c) and 36a-608(b) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes.

3. The Commissioner finds that Respondent engaged in acts or conduct which forms the basis to issue an order to cease and desist against Respondent pursuant to Sections 36a-608(c) and 36a-52(a) of Connecticut the General Statutes.

4. The Commissioner finds that Respondent engaged in acts or conduct which forms the basis to impose a civil penalty against Respondent pursuant to Sections 36a-608(c) and 36a-50(a) of the Connecticut General Statutes.

5. The Commissioner finds that the Notice was given in compliance with subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, and Sections 36a-52(a), 36a-50(a), 4-177 and 4-182(c) of the Connecticut General Statutes.

III. ORDER

Having read the record, **I HEREBY ORDER**, pursuant to Sections 36a-608(b)(5), 36a 602(c), 36a-608(b), 36a-608(c), 36a-52(a) and 36a-50(a) of the Connecticut General Statutes and subsections (a) and (b) of Section 36a-51 of the Connecticut General Statutes, that:

1. The license of West Realm Shires Services Inc. d/b/a FTX US to engage in the business of money transmission in Connecticut be and is hereby **REVOKED**;
2. West Realm Shires Services Inc. d/b/a FTX US **CEASE AND DESIST** from engaging in an unsafe or unsound practice within the meaning of Section 36a-608(a) of the Connecticut General Statutes;
3. A **CIVIL PENALTY** of One Million Dollars (\$1,000,000) be imposed upon West Realm Shires Services Inc. d/b/a FTX US, to be remitted to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", no later than thirty (30) days from the date this Order is mailed; and
4. This Order shall become effective when mailed.

Dated at Hartford, Connecticut,
this 20th day of December 2023.

/s/

Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to Respondent
on December 21, 2023.

West Realm Shires Services Inc. d/b/a FTX US
ATTN: Jennifer Sutton, Special Counsel
167 N Green Street, Suite 1102
Chicago, IL 60607

Certified Mail No. 70151520000018249603

This order was also sent by electronic mail to West Realm Shires Services Inc. d/b/a FTX US, Attention: Jennifer Sutton, Special Counsel, who is designated as the primary contact in the contact employee field on the Nationwide Multistate Licensing System and Registry, at the electronic address provided therein.