
*
IN THE MATTER OF: *
*
DIGITAL ACCESS, LLC *
d/b/a CASH2BITCOIN *
NMLS # 2185177 *
*
(“Digital Access”) *
*

CONSENT ORDER

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, and Sections 36a-613 and 36a-614 of the 2024 Supplement to the General Statutes, known as the “Money Transmission Act”, as amended by Public Act 24-146;

WHEREAS, Digital Access is a Michigan limited liability company with a primary business address of 1660 N. Telegraph Road, Dearborn, Michigan;

WHEREAS, Digital Access has never been licensed to engage in the business of money transmission in Connecticut;

WHEREAS, on June 5, 2024, Digital Access filed an application on the Nationwide Multistate Licensing System and Registry (“NMLS”) to obtain a license to engage in the business of money transmission in Connecticut, which application is currently pending;

WHEREAS, the Commissioner, through the Consumer Credit Division (“Division”) of the Department of Banking, conducted an investigation pursuant to Sections 36a-17, 36a-600 and 36a-608 of the Connecticut General Statutes into the activities of Digital Access 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;

WHEREAS, as a result of such investigation, the Commissioner alleges that since at least 2024, Digital Access engaged in the business of money transmission in this state without the required license, in violation of Section 36a-597(a) of the Connecticut General Statutes;

WHEREAS, the Department first began issuing guidance regarding the operation of Virtual Currency Kiosks (“VC Kiosks”), and the requirement of money transmission licensure for the same in or about 2018;

WHEREAS, at that time, the Department stated the position that it does not require licensure for operators of VC Kiosks that solely convert fiat currency to virtual currency and vice versa, or sell virtual currency to consumers from the VC Kiosk operator’s own store of virtual currency, but does require licensure for operators of VC Kiosks that transmit virtual currency or fiat currency between parties, that hold virtual currency in a VC Kiosk-supported digital wallet or offer other transactions other than a one-to-one exchange transaction between the VC Kiosk operator and the VC Kiosk user. As of October 1, 2024, all VC Kiosk operators must be licensed regardless of activity;

WHEREAS, in or about June and July of 2021, prior to commencing business activities, counsel representing Digital Access engaged the Department with correspondence requesting a formal opinion on whether or not Digital Access was required to obtain a money transmission license in order to operate VC Kiosks within the state;

WHEREAS, the Department referred Digital Access to the Department’s website to review previously issued formal opinions on this issue, and Digital Access represents that, at that time, it took steps to change its policies, procedures and controls to ensure customers must confirm they are sending purchased virtual currency to a wallet that they own and control, via an electronic signature confirmation, an attestation, and in large dollar transactions, a confirmation phone call with Digital Access compliance staff;

WHEREAS, on April 29, 2022, the Department sent a letter to Digital Access clarifying the Department's previously stated position on VC Kiosks and submitted the request for Digital Access to provide know your consumer ("KYC"), anti-money laundering ("AML"), anti-fraud and other consumer protection controls to ensure that third party transmission was not possible at Digital Access operated VC Kiosks in order to allow Digital Access to lawfully continue to operate without a money transmission license;

WHEREAS, the Department acknowledges that Digital Access produced the requested policies and procedures on or about May 20, 2022 in an effort to comply with the Department's advisory letter and applicable licensing requirements;

WHEREAS, Digital Access represents that on June 6, 2023, it again inquired with the Department to confirm whether there had been any changes to regulations or opinion letters from the state in regard to licensing of virtual currency kiosks, and the Department indicated that they were not aware of any changes;

WHEREAS, On October 1, 2023, the Connecticut Money Transmission Act went into effect, specifically regulating "virtual currency kiosks," and Digital Access represents that in December 2023, Digital Access acquired a Connecticut banking bond, in anticipation of applying for a Connecticut money transmission license which was submitted in June 2024;

WHEREAS, notwithstanding Digital Access' policies, procedures, safeguards and controls, the Division received two (2) complaints from Connecticut consumers ("Complainants") that patronized a Digital Access virtual currency kiosk in Connecticut in 2024, prior to the submission of Digital Access' license application, and resulted in virtual currency being purchased with Complainants' funds and transmitted to third parties, thereby triggering Connecticut's money transmission licensure requirement;

WHEREAS, Digital Access, after investigating the Complainants' claims, represents that the Complainants intentionally circumvented Digital Access' policies, procedures, safeguards and controls to transfer virtual currencies to virtual currency wallets belonging to third parties, and that Digital Access

compliance staff spoke directly with the Complainants before allowing the transaction to proceed and Complainants stated that they were transacting on their own behalf;

WHEREAS, Digital Access represents that its policies, procedures, safeguards and controls were able to thwart two (2) additional Connecticut consumer transactions as they were flagged as scams and through similar intervention and engagement Digital Access prevented said consumers from sustaining any monetary loss;

WHEREAS, Digital Access represents that it took steps and continues to take steps to ensure consumer protection and that policies, procedures, safeguards and controls are in place with respect to its services;

WHEREAS, Digital Access represents that it demonstrated good faith in submitting an application to obtain a money transmission license;

WHEREAS, the Commissioner believes that such allegation would support initiation of enforcement proceedings against Digital Access, including, without limitation, proceedings to issue an order to cease and desist pursuant to Sections 36a-608(c) and 36a-52(a) of the Connecticut General Statutes, and to impose a civil penalty of up to One Hundred Thousand Dollars (\$100,000) per violation pursuant to Sections 36a-608(c) and 36a-50(a) of the Connecticut General Statutes;

WHEREAS, initiation of such enforcement proceedings would constitute a “contested case” within the meaning of Section 4-166(4) of the Connecticut General Statutes. Section 4-177(c) of the Connecticut General Statutes, and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, the Commissioner and Digital Access acknowledge the possible consequences of formal administrative proceedings, and Digital Access voluntarily agrees to consent to the entry of the sanctions imposed below without admitting or denying the allegation set forth herein, and solely for the purpose of obviating the need for formal administrative proceedings concerning the allegation set forth herein;

WHEREAS, the Commissioner and Digital Access now desire to resolve the matters set forth herein;

WHEREAS, Digital Access specifically assures the Commissioner that the violation alleged herein shall not occur in the future;

WHEREAS, Digital Access acknowledges that it has had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and executes this Consent Order freely;

WHEREAS, Digital Access acknowledges that this Consent Order is a public record and is a reportable event for purposes of the regulatory disclosure questions on NMLS, as applicable;

AND WHEREAS, Digital Access, through its execution of this Consent Order, voluntarily agrees to waive its procedural rights, including a right to a notice and an opportunity for a hearing as it pertains to the allegation set forth herein, and voluntarily waives its right to seek judicial review or otherwise challenge or contest the validity of this Consent Order.

CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Digital Access, through its execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Digital Access shall not engage in unlicensed money transmission in this state, in violation of Section 36a-597(a) of the Connecticut General Statutes;
2. No later than fifteen (15) days from the date this Consent Order is executed by Digital Access, it shall pay restitution to the Complainants listed in Exhibit A attached hereto, in the amount identified therein. Restitution payments shall be made by check or money order valid for ninety (90) days, and shall be mailed by registered or certified mail, return receipt requested, with proof of mailing. No later than seven (7) days after issuance of restitution payments, Digital Access shall provide evidence of such payments to Isaac Graham, Paralegal, Consumer Credit Division, Department of Banking, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, or isaac.graham@ct.gov; and
3. No later than the date this Consent Order is executed by Digital Access, it shall remit to the Department of Banking by electronic funds transfer, cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", the sum of Ten Thousand Dollars (\$10,000) as a civil penalty.

CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions set forth above be and are hereby entered;
2. Upon issuance of this Consent Order by the Commissioner, this matter will be resolved and the Commissioner will not take any future enforcement action against Digital Access based upon the allegation set forth herein; provided that issuance of this Consent Order is without prejudice to the right of the Commissioner to take enforcement action against Digital Access based upon a violation of this Consent Order or the matters underlying its entry, if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Digital Access and reflected herein is subsequently discovered to be untrue;
3. Digital Access shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceedings in any forum or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis. Except as specifically provided herein, Digital Access shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. Nothing in this provision affects Digital Access' (i) testimonial obligations, or (ii) right to take legal or factual positions that may contradict the allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;
4. Subject to the foregoing, and so long as this Consent Order is promptly disclosed by Digital Access and its control persons on NMLS, as applicable, nothing in the issuance of this Consent Order shall adversely affect the ability of Digital Access to apply for or obtain an initial license or renewal license under Part V of Chapter 668, Sections 36a-595 *et seq.*, inclusive, of the Connecticut General Statutes, provided that all applicable legal requirements for such license are satisfied and the terms of this Consent Order are followed;
5. This Consent Order shall be binding upon Digital Access and its successors and assigns; and
6. This Consent Order shall become final when issued.

Issued at Hartford, Connecticut
this 6th day of February, 2025.

/s/

Jorge L. Perez
Banking Commissioner

I, Ayman Rida, state on behalf of Digital Access, LLC d/b/a Cash2Bitcoin that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Digital Access, LLC d/b/a Cash2Bitcoin; that Digital Access, LLC d/b/a Cash2Bitcoin agrees freely and without threat or coercion of any kind to comply with the sanctions entered and terms and conditions ordered herein; and that Digital Access, LLC d/b/a Cash2Bitcoin voluntarily agrees to enter into this Consent Order, expressly waiving the procedural rights set forth herein as to the matters described herein.

By: /s/
Name: Ayman Rida
Title: CEO
Digital Access, LLC d/b/a Cash2Bitcoin

State of: Michigan

County of: Wayne

On this the 29th day of January, 2025, before me, Debrah Miller, the undersigned officer, personally appeared in Ayman Rida, who acknowledged himself/herself to be the CEO of Digital Access, LLC d/b/a Cash2Bitcoin, a member managed/ manager managed limited liability company, and that he/she as such CEO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself/herself as CEO..

In witness whereof I hereunto set my hand.

/s/
Notary Public
Date Commission Expires:4/11/28