

**STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
BANKING DIVISION  
1511 PONTIAC AVENUE, BUILDING 68-1  
CRANSTON, RHODE ISLAND 02920**

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**IN THE MATTER OF:**

**2023-BK-001**

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

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**CONSENT AGREEMENT AND ORDER**

The Rhode Island Department of Business Regulation, Division of Banking (“Department”) has become aware of certain business practices of West Realm Shires Services Inc., d/b/a FTX US (“FTX US”) and received certain disclosures from FTX US. Based upon the foregoing, the Department believes that FTX US no longer meets the minimum licensing requirements in the Rhode Island General Laws Chapters 19-14 “Licensed Activities” and 19-14.3 “Currency Transmissions”. 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 Rhode Island administrative agency authorized and empowered to administer and enforce R.I. Gen. Laws Chapters 19-14 and 19-14.3.
2. The Division of Banking has the primary responsibility of administering and enforcing R.I. Gen. Laws Chapters 19-14 and 19-14.3 for the Department.
3. FTX US was granted a Rhode Island Currency Transmitter license 20224304CT by the Department on January 26, 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. Since the issuance of the license, FTX US had several changes in control persons including officers, executives, and other management.

6. On November 11, 2022 the Department received notification from RLI Insurance Company NAIC #13056 (the “Surety”) that the bond FTX US is required to maintain pursuant to R.I. Gen. Laws § 19-14-6 would be cancelled on December 11, 2022. On December 11, 2022, the Surety notified the Department that the bond was cancelled effective December 11, 2022, without reinstatement or replacement which is grounds for suspension of the License pursuant to R.I. Gen. Laws § 19-14-6(f).

7. The Department alleges that, FTX US no longer meets the minimum licensing requirements found in the R.I. Gen. Laws Chapters 19-14 and 19-14.3.

#### **RELIEF**

8. License. Upon the Effective Date of this Order, FTX US agrees to a SUSPENSION of Rhode Island Currency Transmitter license 20224304CT. The suspension shall remain in place until such time as FTX US provides satisfactory evidence to the Department that FTX US meets the minimum licensing requirements, an Examination of FTX US is conducted by the Department with results satisfactory to the Department, and the Department lifts said suspension. FTX US shall not engage in the business of currency transmission in Rhode Island and/or with Rhode Island consumers for a fee or other consideration or in other activities requiring licensure under R.I. Gen. Laws Chapters 19-14 and 19-14.3 without first obtaining and maintaining the applicable license under Rhode Island law. In addition, FTX agrees to and hereby waives any applicable protections, including the notification and hearing requirements, set forth in R.I. Gen. Laws §§ 19-14-6(f) and 19-14-15.

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

#### **FURTHER PROVISIONS**

10. Consent. FTX US hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the R.I. Gen. Laws §19-14-26 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.

11. Publication. The Department will publish this Order pursuant to its authority in 230-RICR-10-00-2.18.

12. 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 Department and FTX US.

13. 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.

14. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

15. Effectiveness. FTX US hereby stipulates and agrees that the Order shall become effective on the date that the parties execute this Order ("Effective Date").

16. 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.

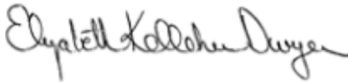
17. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

18. 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 Rhode Island Department of Business Regulation, Banking Division and FTX US, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**RHODE ISLAND DEPARTMENT  
OF BUSINESS REGULATION  
Banking Division**

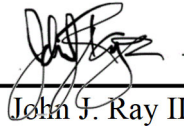
**WEST REALM SHIRES SERVICES  
INC. d/b/a FTX US**



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Elizabeth Kelleher Dwyer  
Interim Director

Date: March 14, 2023



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John J. Ray III  
Chief Executive Officer and Chief  
Restructuring Officer

3/2/2023

Date: \_\_\_\_\_