

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
)	ADMINISTRATIVE ORDER
WEST REALM SHIRES SERVICES INC.))	NO. CO-2022-0027
dba FTX US)	
)	
<u>RESPONDENT</u>)	

CONSENT ORDER

The State of Alabama, acting through the Alabama Securities Commission (“Commission”), 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 made by FTX US, the Commission believes that FTX US no longer meets the minimum licensing requirements of the Alabama Monetary Transmission Act, Section 8-7A-1, et seq., Code of Alabama 1975 (the “Act”). 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 Commission is the State of Alabama administrative agency authorized and empowered to administer and enforce the Act.
2. FTX US was granted Money Transmitter license 864 on November 5, 2021.
3. FTX US filed a petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware on November 11, 2022, Case No. 22-11071 (JTD).
4. Contemporaneously with the filing of the bankruptcy case, FTX US made several changes in control persons, including officers, executives, and other management.

5. The Commission received notification that the bond required by Section 8-7A-7 of the Act would be cancelled in the near future for FTX US.

6. The Commission alleges that FTX US no longer meets the Act's minimum licensing requirements.

RELIEF

7. License. Upon the Effective Date of this Order, FTX US agrees to a SUSPENSION of Money Transmitter license 864. The suspension shall remain in place until such time as FTX US provides evidence satisfactory to the Commission that it meets the minimum licensing requirements, has a satisfactory Examination conducted by the Commission, and the Commission lifts said suspension. 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 the State of Alabama.

8. Reporting. FTX US agrees, to the extent practicable, to respond to reasonable requests from the Commission seeking information concerning any FTX US transactions with State of Alabama consumers.

FURTHER PROVISIONS

9. Consent. FTX US hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Commission's authority under Sections 8-7A-15 and 8-7A-18 of the Act, that it understands all of the terms and conditions contained herein. By voluntarily entering into this Order, FTX US waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

10. Publication. The Commission will publish this Order pursuant to its authority under Section 8-7A-23(a)(3) of the Act.

11. Entire Agreement. This Order contains the entire agreement between the Commission 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 between the Commission and FTX US.

12. Binding Nature. The Commission, 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.

13. Counsel. This Order is subject to review by the Commission's Legal Division. 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 Commission docket this Order ("Effective Date").

15. Other Enforcement Action.

a. The Commission 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 Commission and not upon 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.

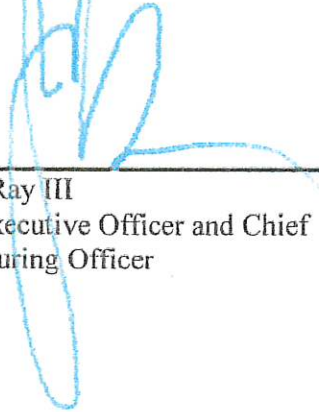
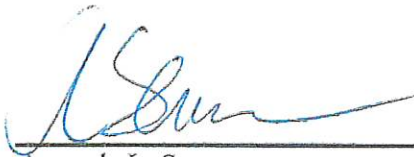
17. Counterparts. This Order may be executed in separate counterparts, by facsimile or electronic mail in portable document format "PDF."

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Alabama Securities Commission and FTX US, intending to be legally bound, do hereby execute this Consent Order.

Entered at Montgomery, Alabama, this 29 day of February 2022.

ALABAMA SECURITIES
COMMISSION

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



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