## ORDER NO. 2019-012

| IN THE MATTER OF:    | § | BEFORE THE BANKING           |
|----------------------|---|------------------------------|
|                      | § |                              |
| SOUTHWEST GROUP, LLC | § |                              |
| FORT MYERS, FLORIDA  | § | COMMISSIONER OF TEXAS        |
|                      | § |                              |
| AND                  | § |                              |
|                      | § |                              |
| RYAN SASSER          | § |                              |
| FORT MYERS, FLORIDA  | § | AUSTIN, TRAVIS COUNTY, TEXAS |

## **CONSENT ORDER**

On this day, the matter Southwest Group LLC, Fort Myers, Florida and Ryan Sasser, Fort Myers, Florida (Respondents), was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

- 1. Southwest Group, LLC is a limited liability company located in Fort Myers, Florida.
- 2. Southwest Group, LLC owns and operates Currency Liquidator, which is accessible on the internet at www.currencyliquidator.com.
- 3. Ryan Sasser is President and CEO of Southwest Group, LLC. Mr. Sasser previously operated the Currency Liquidator website as the Founder and CEO of Foreign Currency Co. LLC.
- 4. The Texas Department of Banking (Department) has jurisdiction over Respondents and the subject matter of this proceeding pursuant to *Texas Finance Code* (Finance Code) Chapter 151 (Chapter 151). The Commissioner has the authority to issue this Consent Order (Order) and to assess administrative penalties pursuant to Finance Code §§151.706 and 151.707.
- 5. The Respondents have been properly notified of their right to an administrative hearing under Chapter 151.
- 6. The undersigned representative of Respondents has full authority to enter into and bind Respondents to the terms and conditions of this Consent Order.

- 7. The statutory provisions at issue in this matter include, but are not limited to, Finance Code §§151.301, 151.302, 151.702, 151.706, and 151.707.
- 8. Any violation of this Order could subject Respondents to additional regulatory or enforcement actions authorized by Chapter 151 and other provisions of Texas law. Nothing in this Order diminishes the regulatory or enforcement powers of the Department, the Commissioner, or the Finance Commission of Texas under Chapter 151 or other applicable law.
- 9. For purposes of this proceeding, Respondents knowingly and voluntarily waive:
  - a. Service upon Respondents of this Order;
  - b. The right to present defenses to the allegations in this proceeding;
  - c. Notice and hearing prior to imposition of this Order;
  - d. The filing of proposed findings of fact and conclusions of law;
  - e. The issuance of a proposal for decision by an administrative law judge;
  - f. The filing of exceptions and briefs with respect to such proposal for decision;
  - g. Any review of this Order by the Texas Finance Commission; and
  - h. Judicial review of this Order as provided by *Texas Government Code* §2001.171 et seq., and any other challenge to the validity of this Order.
- 10. Respondents and the Commissioner agree to this Order solely for the purpose of this proceeding, and without Respondents admitting or denying any violations of law or regulations. This Order does not constitute an admission by Respondents that Chapter 151 or a rule adopted or order issued under Chapter 151 has been violated.
- 11. The Commissioner has considered this matter and finds as follows:

- a. The Currency Liquidator website offers customers the option to buy and sell foreign currencies.
- b. In 2015, the Department became aware that Respondent Ryan Sasser had been offering the Currency Liquidator services to Texas residents. In February 2016, Respondent Ryan Sasser certified that the Currency Liquidator website would no longer offer the services to customers in Texas and subsequently adjusted the website accordingly. In September 2016, the Department became aware that the Currency Liquidator website had been updated to once again accept Texas customers. On October 14, 2016, an Order to Cease and Desist, Order No. 2016-019 (Order to Cease and Desist) was issued to multiple parties, including, Ryan Sasser as the Founder and CEO of Foreign Currency Co. LLC. On November 4, 2016, the 2016 Order became effective and unappealable.
- c. On or about August 22, 2018, the Department was notified that Ryan Sasser was once again operating the Currency Liquidator website under the ownership of Southwest Group, LLC, and was continuing to conduct transactions with Texas residents. The Department subsequently determined that Respondents had conducted at least 91 transactions with Texas residents from April to September 2018.
- d. Under Finance Code §151.301(b)(4), money transmission means "the receipt of money or monetary value by any means in exchange for a promise to make the money or monetary value available at a later time or different location." The Finance Code defines engaging in the business of money transmission as receiving compensation or expecting to receive compensation, directly or indirectly, for conducting money transmission. Finance Code § 151.302(b). In any given transaction, Respondents receive money or monetary value in exchange for a promise to send an equivalent

- amount of money to a different location. Therefore, Respondents are engaging in money transmission.
- e. Under *Texas Finance Code* §151.302(b) "a person engages in the business of money transmission if the person receives compensation or expects to receive compensation, directly or indirectly, for conducting money transmission." Respondents receive compensation directly or indirectly for the money transmission activity, as described, above. Therefore, Respondents are engaging in the business of money transmission.
- f. Finance Code §151.302(a) provides that "a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as a person that engages in the business of money transmission" without a license unless it is an authorized delegate of a license holder, is excluded from licensure under Chapter 151, or has been granted an exemption under Chapter 151.
- g. As described above, Respondents are conducting money transmission in Texas. The Department has not licensed Respondents; Respondents are not an authorized delegate of a license holder; Respondents are not excluded from licensure under Chapter 151; and Respondents have not been granted an exemption under Chapter 151. Consequently, the Commissioner finds that Respondents are in violation of Finance Code §151.302.
- h. The Department issued a Notice of Hearing on October 16, 2018, Docket No. BM-BM-1807-16-310, to determine whether to assess penalties against Respondents. The hearing was set for January 17, 2019. Following a Motion to Dismiss filed by the Respondents that was denied by the Administrative Law Judge, the Department agreed

- to a continuance on the hearing until March 28, 2019 to give the parties time to conduct discovery in the matter.
- i. As required by Finance Code §151.707(d), the Commissioner has considered the seriousness of the violations, Respondents' compliance history, and Respondents' good faith in attempting to comply with Chapter 151. The Commissioner finds that Respondents' violations were serious because Respondents conducted money transmission activities in Texas without a license and, therefore, did not provide Texas customers with the requisite protections or perform the required recordkeeping functions of a licensee. Additionally, the Commissioner finds Respondents' prior compliance history unacceptable because despite the Respondents' communications with the Department and commitment to ceasing to do business with Texas consumers, and the Order to Cease and Desist, they continued to conduct money transmission with Texas consumers without a license,
- j. Based on these findings and based on the representations made by Respondents as to the volume of transactions, the Commissioner finds that a penalty of \$150,000 is appropriate.
- 12. Respondents have agreed to comply with the terms that are set out in the Order below.
- 13. Nothing in this Order shall prohibit Respondents from obtaining a money transmission license from the Department in the future.
- 14. This Order does not restrict the Department with respect to any enforcement action or other recourse regarding any other violations by Respondents not now known to the Department that come to the attention of the Department. However, nothing herein shall be construed

to limit Respondents' right to contest any future finding or determination of non-

compliance.

**Order** 

It is hereby ORDERED, ADJUDGED and DECREED that within 10 days of the Effective Date

of this Order, Respondents will have delivered to the Department a payment in the amount of

\$15,000 as partial payment of the administrative penalty. It is further ORDERED that, beginning

May 1, 2019 and for the following sixty-sixty (66) consecutive months thereafter, Respondents

will deliver, by the first of the month, to the Department a payment in the amount of \$2,000 each

month, with the final payment being in the amount of \$3,000, as payment of the remainder of the

\$150,000 administrative penalty.

**Effective Dates** 

This Order against Respondent is effective on the date signed by the Commissioner and is

final and non-appealable as of that date.

Signed on this 20th day of March, 2019

/s/ Charles G. Cooper

Charles Cooper

Commissioner, Department of Banking

## AGREED AS TO FORM AND SUBSTANCE

Southwest Group, LLC

/s/ Ryan Sasser

By: Owner

Date: March 19, 2019

Ryan Sasser

/s/ Ryan Sasser

By: Ryan Sasser

Date: March 19, 2019

## **APPROVED AS TO FORM:**

/s/ Jordan Rose

Jordan Rose Elliott Sauter, P.L.L.C. Local Counsel for Respondents

Date: March 20, 2019

/s/ Marcus Adams

Marcus Adams Assistant General Counsel Texas Department of Banking

Date: March 20, 2019