

**ORDER NO. 2014-012**

**IN THE MATTER OF:**

**XCHANGE OF AMERICA, LLC,  
STUART, FLORIDA**

**AND**

**ROBERT HOFFMAN,  
PRESIDENT OF XCHANGE  
OF AMERICA**

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**BEFORE:**

**THE BANKING  
COMMISSIONER OF TEXAS**

**AUSTIN, TRAVIS COUNTY, TEXAS**

**AGREED ORDER**

On this day, the matter of Xchange of America, LLC (XOA), a Florida corporation, and its President, Robert Hoffman (collectively Respondents), was submitted to the Banking Commissioner of the State of Texas (Commissioner), for consideration and action. This matter concerns violations of Texas Finance Code Chapter 151 and assessment of administrative penalties. In lieu of a hearing on the merits of the case, the Texas Department of Banking (Department) and Respondents wish to enter an agreement that will settle the matter according to the terms provided in this Order.

1. Respondents and the Department jointly request the Commissioner to dispose of this matter pursuant to the provisions of Texas Government Code § 2001.056 by issuing this Agreed Order. Respondents and the Department stipulate to the facts stated here, and the parties agree to comply with the terms of this Agreed Order.
2. Respondents agree to this Order solely for the purpose of this proceeding, without admitting or denying any violations of law or regulations.
3. Respondents acknowledge that the Commissioner has jurisdiction over this matter pursuant to Texas Finance Code Chapter 151 and Texas Government Code §§ 2001.171 et seq., and that the Commissioner has the authority to issue this Agreed Order under Texas Government Code § 2001.056.
4. XOA is a business corporation organized under the laws of the State of Florida. XOA is registered with the Texas Secretary of State to conduct business in Texas. Robert Hoffman, a resident of Florida, is the President and founder of XOA.
5. The Department has not licensed Respondents to engage in the business of money transmission or currency exchange in Texas. XOA submitted an application for a currency exchange license but in March 2014, Respondents withdrew the application. By letter dated March 24, 2014, the Department reminded Respondents that without a license, XOA may not engage in currency exchange or money transmission in Texas.
6. Respondents operate websites [xchangeofamerica.com](http://xchangeofamerica.com) and [dinartrade.com](http://dinartrade.com), which allow consumers to initiate transactions to buy or sell Iraqi dinar, Vietnamese dong, and at least eleven other currencies. Respondents accept negotiable instruments in exchange for coin and paper foreign currency. The websites allow Texas consumers to initiate these transactions.

7. The Commissioner is authorized by Texas Finance Code § 151.707 to assess an administrative penalty against a person who has violated Chapter 151. The imposition of an administrative penalty against Respondents in the amount of one thousand dollars (\$1,000.00) is appropriate and reasonable given the nature of this matter.
8. Respondents have been notified of their right to a hearing with regard to this administrative penalty and hereby waive that right without admitting or denying wrongdoing in connection with the penalty.
9. Any violation of this Order could subject Respondents to additional regulatory enforcement actions. Nothing in this Order diminishes the regulatory or enforcement powers of the Department, the Commissioner, the Finance Commission of Texas, or any other Texas state agency, nor restricts the Department from using the facts of this matter, or other past matters that may come to light in the future, to establish a pattern or practice of repeated violations of law in future proceedings.
10. For purposes of this proceeding, the Department and Respondents knowingly and voluntarily waive:
  - a. service upon Respondents of this Agreed Order;
  - b. any further notice or hearing prior to imposition of the administrative penalty provided for herein;
  - c. review of, or action on this Agreed Order by the Texas Finance Commission, or judicial review of this Agreed Order as provided by Texas Government Code §§ 2001.171 et seq., or any other challenge to the validity or effect of this Agreed Order.
11. Respondents and the Department agree to the legal conclusions and terms and conditions of this Agreed Order.
12. This Order is effective on the date signed by the Commissioner.

### **ORDER**

WHEREFORE, based on the foregoing, the Commissioner ORDERS that this matter is resolved in accordance with the following terms:

13. Respondents shall cease and desist from engaging in the unlicensed business of currency exchange in Texas, whether conducted directly or through the activities of others, which includes, but is not limited to advertising and soliciting persons in Texas, and the acceptance of customers who are located in Texas.
14. Respondents shall configure the websites xchangeofamerica.com, dinartrade.com, as well as any others operated by Respondents that facilitate similar transactions, to refuse customer registration or transactions from persons located in Texas until such time as Respondents obtain the required license.

15. Respondents shall confirm to the Department in writing within seven days of the effective date of this Order that all pending transactions with Texas customers that were outstanding on the effective date of this Order have been completed, and that the requirements of Paragraph 14 have been performed.
16. Respondents shall pay an administrative penalty to the Department in the amount of one thousand dollars (\$1,000.00). This penalty shall be paid in full no later than seven days after the effective date of this Order.
17. This Order is effective and issued on the date it is signed by the Commissioner.

Signed on this 19th day of August, 2014.

/s/ Stephanie Newberg for  
Charles G. Cooper  
Banking Commissioner

AGREED AND APPROVED AS TO FORM AND SUBSTANCE BY RESPONDENTS:

/s/ Robert Hoffman  
Robert Hoffman

8/8/2014  
Date

Notary:

State of Florida        (  
Count of Martin        (  
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Sworn to and subscribed before me on the 8th day of August, 2014, by Robert Hoffman.

/s/ Julie Rock  
Notary Public's signature

Julie Rock  
My Commission #FF082672  
Expires: Nov 26, 2016

APPROVED AS TO FORM:

/s/ Daniel Wood  
Daniel Wood  
Assistant General Counsel  
Texas Department of Banking

8/19/14  
Date

/s/ Michael Kiner  
Michael Kiner  
Attorney for Respondents

8/11/14  
Date