

**Order No. 2018-026x**

|                                    |          |                                     |
|------------------------------------|----------|-------------------------------------|
| <b>IN THE MATTER OF:</b>           | <b>§</b> | <b>BEFORE THE BANKING</b>           |
|                                    | <b>§</b> |                                     |
| <b>EBANK HOLDINGS,</b>             | <b>§</b> |                                     |
| <b>EBANK HOLDINGS CORPORATION,</b> | <b>§</b> | <b>COMMISSIONER OF TEXAS</b>        |
| <b>EBANK WORLD HOLDINGS INC.,</b>  | <b>§</b> |                                     |
| <b>AVALINE INVESTMENT, LLC,</b>    | <b>§</b> |                                     |
| <b>AVALINE HOLDING USA CORP,</b>   | <b>§</b> |                                     |
| <b>ALEX TANNOUS</b>                | <b>§</b> | <b>AUSTIN, TRAVIS COUNTY, TEXAS</b> |

**AMENDED ORDER TO CEASE AND DESIST ACTIVITY NUNC PRO TUNC**

On this day, the matter of EBank Holdings, EBank Holdings Corporation, EBank World Holdings, Inc., Avaline Investment LLC, Avaline Holding USA Corp, and Alex Tannous (collectively, Respondents) was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action. Staff of the Texas Department of Banking (Staff) states that a clerical error was made in Order to Cease and Desist Activity No. 2018-027, In the matter of EBank Holdings, EBank Holdings Corporation, EBank World Holdings, Inc., Avaline Investment LLC, Avaline Holding USA Corp, and Alex Tannous (Cease and Desist Order) which was signed on September 24, 2018. The error was that the Cease and Desist Order was given the number 2018-027, and that same number had already been assigned to another order signed by me on October 9, 2018. To avoid confusion, this Amended Consent Order Nunc Pro Tunc (Amended Order) may be entered to correct that clerical error by changing the number of this Order to 2018-026x. The Amended Order shall be effective October 18, 2018. Therefore, the Amended Order will be the same in all respects as the Cease and Desist Order with the exception of the changed order number.

The Amended Order shall state as follows:

1. Respondents operate websites located at [www.ebankholdings.com](http://www.ebankholdings.com) and [www.ebankworldholdings.com](http://www.ebankworldholdings.com) where they purport to offer banking, investment, and other financial services with locations in San Antonio, Texas; Singapore; Dubai, AE; and Geneva, Switzerland.

2. Respondents are not: chartered in Texas; authorized to engage in the business of banking in Texas; or supervised by or registered with any Texas or federal financial regulatory agency.
3. Avaline Investment, LLC and Avaline Holding USA Corp are registered with the Texas Secretary of State. EBank Holdings is registered with the Texas Secretary of State as the assumed name of Avaline Investment, LLC.
4. EBank World Holdings, Inc. is a Delaware Corporation.
5. Alex Tannous, a Texas resident, is reported to be the founder, president, and chairman of the Respondent entities.
6. The [www.ebankholdings.com](http://www.ebankholdings.com) website contains frequent use of the term “bank” in the name of the entity and advertises investment and financial services in a way that a member of the public could reasonably believe the entity is operating a bank in Texas.
7. The [www.ebankholdings.com](http://www.ebankholdings.com) website may also be accessed directly through the following IP address: 162.241.218.94/.
8. The [www.ebankworldholdings.com](http://www.ebankworldholdings.com) website contains frequent use of the term “bank” in the name of the entity and purports to offer online banking and other financial services. For example, the website states that “EBank World holdings provides a full spectrum of wealth, trust and banking services...” (emphasis added) The website also describes EBank World Holdings Inc. as “The World Private Bank in your hands.”
9. The [www.ebankworldholdings.com](http://www.ebankworldholdings.com) website may also be accessed directly through the following IP address: 188.226.134.207/.
10. Under *Texas Finance Code* § 31.005(a), a person may not use the term "bank," or a similar term or a character, ideogram, phonogram, phrase, or foreign language word in

its name, stationery, or advertising in a manner that would imply to the public that the person is engaged in the business of banking in this state.

11. On or about July 26, 2018, Dan Frasier, Director of Corporate Activities at the Texas Department of Banking (Department), spoke to Alex Tannous via telephone and notified Mr. Tannous that the websites and purported banking activities were in violation of the Texas Finance Code.

12. On August 6, 2018, the Department sent a letter to Mr. Tannous providing notice that the EBank Holdings website and any affiliated websites using the term bank or implying that the entity is a bank were in violation of the Texas Finance Code.

13. As of September 24, 2018, Respondents remain in violation of the Texas Finance Code.

### **Conclusions of Law**

1. The Commissioner is authorized by Texas Finance Code § 35.207 to issue a cease and desist order to an entity whom the Commissioner believes is engaging or is likely to engage in an unauthorized activity.

2. The Commissioner finds by credible evidence that Respondents have violated Texas Finance Code § 31.005 by using the term “bank” in the entity name and advertisements to imply to the public that Respondents are engaged in the business of banking in this state.

3. The Commissioner finds this violation constitutes sufficient cause under Texas Finance Code § 35.207 for issuance of an order to cease and desist from using the term “bank” in its name and advertisements directed to customers in Texas, and implying that Respondents are conducting the business of banking in Texas.

## **Order**

In accordance with Texas Finance Code §§ 31.005 and 35.207, Respondents are ORDERED to immediately cease and desist from implying that they engage in the business of banking in Texas, whether through the websites [www.ebankholdings.com](http://www.ebankholdings.com) and [www.ebankworldholdings.com](http://www.ebankworldholdings.com), or any other public communication. Respondents are further ORDERED, to cease and desist using the name EBank Holdings, EBank World Holdings Inc., or any other name in violation of Texas Finance Code § 31.005 unless and until they are authorized to act as a bank under applicable state and federal laws. Respondents are further ORDERED, to take down the websites, [www.ebankholdings.com](http://www.ebankholdings.com) and [www.ebankworldholdings.com](http://www.ebankworldholdings.com), and any other associated websites that purport to offer banking services.

## **Effective Date**

Pursuant to Texas Finance Code § 35.207, this Amended Order to Cease and Desist Activity Nunc Pro Tunc takes effect twenty-one days after the date it is mailed.

## **Notice of Right to Hearing**

Under Texas Finance Code § 35.207, Respondents have the right to request a hearing on this Order. If Respondents wish to file such a request, it must be made in writing and must be submitted to the Commissioner no later than the twentieth day after the date this Order is mailed to Respondents.

Signed on this 22<sup>nd</sup> day of October 2018.

/s/ Charles G. Cooper  
Charles G. Cooper  
Banking Commissioner of the State of Texas

**Certificate of Service**

On October 22, 2018, pursuant to Texas Finance Code § 35.207, this Amended Order to Cease and Desist Activity Nunc Pro Tunc was served on the following Respondents:

**Via first class mail and certified mail, return receipt requested:**

Aldo Salazar  
Registered Agent  
Avaline Investment LLC dba EBank Holdings  
19210 Huebner Road, Suite 200  
San Antonio, Texas 78258

**Via first class mail and certified mail, return receipt requested:**

Aldo Salazar  
Registered Agent  
Avaline Holding USA Corp  
19210 Huebner Road, Suite 200  
San Antonio, Texas 78258

**Via first class mail and certified mail, return receipt requested:**

Incorp Services, Inc.  
Registered Agent  
EBank World Holdings, Inc.  
919 North Market Street, Suite 950  
Wilmington, Delaware 19801

**Via electronic mail, read receipt requested:**

Mr. Alex Tannous  
alex@ebankholdings.com