

**ORDER NO. 2020-011**

**IN THE MATTER OF:**

**TREASURY VAULT, LLC**

**LEHI, UTAH**

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**BEFORE THE BANKING**

**COMMISSIONER OF TEXAS**

**AUSTIN, TRAVIS COUNTY, TEXAS**

**EMERGENCY ORDER TO CEASE AND DESIST ACTIVITY**

On this day, the matter of Treasury Vault, LLC, Lehi, Utah (Respondent) was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

**FINDINGS OF FACT**

1. Respondent is a limited liability corporation organized under the laws of the State of Utah. It is an internet-based company with one physical location at 4161 North Thanksgiving Way, Suite 308, Lehi, UT 84043. Respondent is registered with the Texas Secretary of State to conduct business in Texas (Filing Number 802468510).
2. The Texas Department of Banking (Department) has not licensed Respondent to engage in the business of money transmission or currency exchange in Texas.
3. Respondent owns and operates a website, treasuryvault.com, through which consumers place orders for foreign currency. The website allows Texas consumers to initiate these orders. Once an order is placed, Respondent requires payment in full with certified funds (cashier's check, certified bank check, or money order) or other funds that have cleared Respondent's deposit account before it ships the selected foreign currency to Texas consumers. All sales are final. Respondent may repurchase foreign currency at current market prices from consumers, but it will not process refunds, exchanges or cancellations.
4. In August 2015, the Department discovered that Respondent was engaging in the business of money transmission in the State of Texas without a license. Respondent subsequently submitted an application for a money transmission license to the Department. In October 2015, the Department returned Respondent's application because it was incomplete and demonstrated several deficiencies. In December 2015, the Department issued an Order to

Cease and Desist Activity (Order No. 2015-030) against Respondent, which became effective on January 12, 2016. As required by Order No. 2015-030, Respondent confirmed in writing that Texas consumers' outstanding funds were refunded and no additional transactions with customers in Texas would be allowed. In March 2016, the Department entered into a Consent Order with Respondent (Order No. 2016-005), which acknowledged its past activity and ordered Respondent to pay an \$86,400 administrative penalty. The Department received the full amount of the penalty from Respondent.

5. In April 2017, Respondent submitted another application for a money transmission license to the Department. The application was substantially incomplete, and Respondent withdrew the application in June 2017.
6. The Nationwide Multistate Licensing System & Registry (NMLS) website does not reflect Respondent is licensed as a money transmitter in other states.
7. On January 24, 2020, Respondent contacted the Department to apply for a license. After reviewing Respondent's correspondence, the Department reconfirmed that since Respondent is receiving consumer funds in exchange for a promise to make foreign currency available to the consumers at a later time or different location, it needs a money transmission license to sell foreign currency in Texas. See Texas Finance Code (Finance Code) §151.301(b)(4). On February 21, 2020, Respondent provided transaction data showing that, despite Order No. 2015-030 to cease and desist activity, it resumed engaging in the business of money transmission in Texas on August 1, 2019 by selling foreign currency to Texas consumers through its website [treasuryvault.com](http://treasuryvault.com). On March 10, 2020, the Department directed Respondent to apply for a temporary money transmission license. As of the date of this Order, Respondent had not submitted an application to the Department, yet it continues to offer money transmission services to Texas consumers.

### **CONCLUSIONS OF LAW**

8. Pursuant to Finance Code §151.702, if the Commissioner has reason to believe that an unlicensed person has engaged in an activity for which a license is required under Chapter 151, then the Commissioner may order the person to cease and desist from the violation until the person is issued a license under Chapter 151. The Commissioner may issue an emergency cease and desist order in accordance with Finance Code §151.710 if the Commissioner finds

that the person's violation has seriously prejudiced, or is likely to seriously prejudice, a purchaser of the license holder's money services, or the public, and the person's violation threatens immediate and irreparable harm to the public.

9. The Commissioner finds by credible evidence that Respondent is violating Finance Code §151.302 by engaging in the business of money transmission in Texas without a license, as described above. The Commissioner finds this violation constitutes sufficient cause under Texas Finance Code §151.702 for the issuance of an order to cease and desist from conducting any money transmission in Texas.
10. The Commissioner also finds that Respondent's violation and its inability to obtain a money transmission license in Texas and other states as described above is likely to seriously prejudice purchasers of Respondent's money services, and threatens immediate and irreparable harm to the public. Respondent has repeatedly demonstrated that it lacks the requirements to obtain a license to conduct money transmission in Texas. It continues to offer and provide money transmission to Texas consumers despite having been the subject of a previous Cease and Desist Order. Each day that it continues to accept funds from Texas consumers without any regulatory oversight increases the chance that those consumers' funds will be improperly handled, diverted or misappropriated. For these reasons, the Commissioner finds that there is sufficient cause under Texas Finance Code §151.710 to issue an emergency cease and desist order.

### **ORDER**

In accordance with Finance Code §§151.302 and 151.702, Respondent is **ORDERED** to cease and desist from engaging in the unauthorized business of money transmission in Texas, including advertising to and soliciting persons in Texas, whether conducted through Respondent's activities or through those of others. Respondent is further **ORDERED** to configure the treasuryvault.com website to refuse customer registrations or transactions from persons located in Texas until such time as Respondent obtains the required license, and to confirm to the Department in writing, within seven days of the effective date of this Order, that this has been completed. Respondent is further **ORDERED** to confirm to the Department in writing, within fourteen days of the effective date of this Order, that any pending transactions with Texas customers that were outstanding on the effective date of this Order have been completed or funds have been returned to the original customer.

**EFFECTIVE DATE**

Pursuant to Finance Code §§151.702 and 151.710, this Order takes effect immediately.

**NOTICE OF RIGHT TO HEARING**

Under Finance Code §151.710, Respondent has the right to request a hearing on this Order. If Respondent wishes to file such a request, it must be made in writing and must be submitted to the Commissioner no later than the 15th day after the date this Order is mailed to Respondent. If the Commissioner does not receive a written request for a hearing from Respondent by the 15th day after the date this Order is mailed, then this Order is final and non-appealable as to Respondent on the 16th day after the date this Order is mailed.

Signed on this 13th day of April 2020.

/s/ Charles G. Cooper  
Charles G. Cooper  
Commissioner, Texas Department of Banking

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Texas Department of Banking's Emergency Order to Cease and Desist Activity was forwarded by certified mail, return receipt requested, on this the 13th day of April 2020 to the following:

**CMRRR #7007 3020 0000 2508 3184**

Mr. Roger Dorman, Jr.  
Co-Owner  
Treasury Vault  
4161 North Thanksgiving Way, Ste. 308  
Lehi, UT 84043

**CMRRR #7007 3020 0000 2508 7045**

Ms. Angela Dorman-Plagmann  
Co-Owner  
Treasury Vault  
4161 North Thanksgiving Way, Ste. 308  
Lehi, UT 84043

**CMRRR#7007 3020 0000 2508 7052**

Mr. Joseph Thompson  
Compliance Officer  
Treasury Vault  
4161 North Thanksgiving Way, Ste. 308  
Lehi, UT 84043

/s/ Alice E. Geyer  
Alice E. Geyer  
Assistant General Counsel  
Texas Department of Banking