

**Texas Department of Banking**

In the Matter of:

No.: 2025-004

PLUTUS FINANCIAL, INC.,  
ABRA TRADING, LLC,  
PLUTUS FINANCIAL HOLDINGS, INC.,  
PLUTUS LENDING, LLC, and  
WILLIAM JOHN BARHYDT.

MULTISTATE SETTLEMENT  
CONSENT ORDER

Respondents.

WHEREAS state money transmitter regulators, as part of a multistate Money Transmitter Regulators Association Working Group, including regulators from the states of Arkansas, Connecticut, Georgia, Ohio, Oregon, Texas, Washington, and Vermont (the MTRA Working Group) conducted a multistate investigation into whether Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt engaged in unlicensed money transmission as set forth herein to customers residing in the United States.

WHEREAS on or about June 25, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt executed a Term Sheet with the MTRA Working Group to enter into consent orders to resolve the multistate investigation within 15 days of executing the Term Sheet.

NOW THEREFORE, Charles G. Cooper, Banking Commissioner (Commissioner) of the State of Texas, and Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt, and finding that the issues raised in the multistate investigation and the above-captioned matter, may be economically and efficiently settled, agree to the entry of this

1 Consent Order. This Consent Order is entered pursuant to Texas Finance Code § 152.406, based  
2 upon the following:

3 **FINDINGS OF FACT**

4 **1.1 Plutus Financial, Inc.** is a Delaware corporation formed in 2014. Plutus Financial Inc. has  
5 never been licensed as a money transmitter or currency exchanger by the .Texas Department of  
6 Banking (the Department).

7 **1.2 Abra Trading, LLC** is a Delaware limited liability company formed in 2022. Abra Trading,  
8 LLC has never been licensed as a money transmitter or currency exchanger by the Department.

9 **1.3 Plutus Financial Holdings, Inc.** is a Delaware corporation formed in 2022. Plutus Financial  
10 Holdings, Inc. has never been licensed as a money transmitter or currency exchanger by the  
11 Department.

12 **1.4 Plutus Lending, LLC** is a Delaware limited liability company formed in 2020. Plutus  
13 Lending, LLC has never been licensed as a money transmitter or currency exchanger by the  
14 Department.

15 **1.5** Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus  
16 Lending, LLC, were in the business of providing customers with a digital platform that enabled their  
17 customers to buy, sell, borrow, trade, and hold virtual assets. Plutus Financial, Inc., Abra Trading,  
18 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC, operated a mobile phone  
19 application that enabled U.S. customers to create an Abra Trade Account (U.S. Trade Customers) in  
20 order to conduct these financial transactions.

21 **1.6 Mr. Barhydt** is the largest owner of the equity ownership interests of Plutus Financial  
22 Holdings, Inc., its direct subsidiaries Plutus Financial, Inc., Abra Trading, LLC, Abra Boost, LLC,  
23 and its indirect subsidiary Plutus Lending, LLC. Further, Mr. Barhydt is the Chief Executive Officer

1 of Plutus Financial, Inc., and directly or indirectly controls Plutus Financial, Inc., Abra Trading, LLC,  
2 Plutus Financial Holdings, Inc., and Plutus Lending, LLC.

3 Mr. Barhydt is responsible for defining the strategy and the day-to-day operations of Plutus  
4 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC to  
5 include (i) the decision to utilize Digital Capital Solutions Limited and Plutus Technologies  
6 Philippines Corporation in connection with the money transmission products and services of Plutus  
7 Financial, Inc., Plutus Financial Holdings, Inc., and Plutus Lending, LLC, and (ii) the decision to  
8 allow Abra Trading, LLC to hold itself out as providing money transmission services.

9 **1.7 Digital Capital Solutions Limited** is a British Virgin Islands entity that assisted Plutus  
10 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC in its  
11 provision of money transmission products and services to U.S. Trade Customers from at least January  
12 2023 to June 2023. Digital Capital Solutions Limited has never been licensed as a money transmitter  
13 or currency exchanger by the Department.

14 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,  
15 LLC, and Mr. Barhydt represented to the MTRA Working Group that Plutus Financial, Inc., Abra  
16 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt exercise no  
17 control over Digital Capital Solutions Limited and are unable to waive service on behalf of Digital  
18 Capital Solutions Limited. Thus, Digital Capital Solutions Limited is not named as a Respondent in  
19 this matter.

20 **1.8 Plutus Technologies Philippines Corporation** is a Philippines Corporation, and partially  
21 owned subsidiary of Plutus Financial, Inc., that assisted Plutus Financial, Inc., Plutus Financial  
22 Holdings, Inc., and Plutus Lending, LLC in its provision of money transmission products and  
23 services to U.S. Trade Customers. Plutus Technologies Philippines Corporation has never been

1 licensed as a money transmitter or currency exchanger by the Department.

2 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,  
3 LLC, and Mr. Barhydt represented to the MTRA Working Group that because Plutus Technologies  
4 Philippines Corporation is a partially-owned subsidiary, they are unable to waive service on behalf  
5 of Plutus Technologies Philippines Corporation. Thus, Plutus Technologies Philippines Corporation  
6 is not a named Respondent in this matter.

7 **1.9 Abra Boost, LLC** is a Delaware limited liability company formed in 2022. Abra Boost,  
8 LLC has never been licensed as a money transmitter or currency exchanger by the Department.  
9 Abra Boost, LLC offered a securities product in reliance on an exemption from registration under  
10 the Securities Act of 1933 (Boost Securities), which Abra Boost, LLC represented made the product  
11 exempt from state securities registration requirements. Boost Securities launched in November 2022  
12 and wound down in June 2023. With respect to Boost Securities, all purchase funds and accrued  
13 interest, which were denominated in virtual assets, were redeemed. The redeemed virtual assets  
14 were credited to Abra Trade Accounts and made available for withdrawal by U.S. Trade Customers  
15 as of August 1, 2023.

16 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,  
17 LLC, and Mr. Barhydt objected to the inclusion of Abra Boost in this matter based upon their  
18 representation that Boost Securities are securities products that do not involve money transmission.  
19 Thus, in order to resolve the multistate investigation, Abra Boost is not a named Respondent in this  
20 matter.

21 **1.10** On June 1, 2020, the Department issued Plutus Financial, Inc. a no-action determination letter  
22 (the 2020 Letter) based on the “Abra” products and services as presented at the time.

1 **1.11** Subsequent to the issuance of the 2020 Letter and without notification to the Department, the  
2 Abra began providing a hosted wallet product supporting the custody of stablecoin that allowed users  
3 to conduct transactions involving the exchange of fiat currency or stablecoin for stablecoin.

4 **1.12** In approximately July 2021, Plutus Technologies Philippines Corporation signed an  
5 agreement with Fireblocks. Pursuant to this agreement, beginning in January 2023, some U.S. Trade  
6 Customer virtual assets, including stablecoins, in Abra Trade Accounts were held in Fireblocks  
7 Vaults, where they remain available for withdrawal as of the date of this Consent Order.

8 **1.13** From at least January 2023 to June 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus  
9 Financial Holdings, Inc., and Plutus Lending, LLC also held U.S. Trade Customer virtual assets,  
10 including stablecoins, with Digital Capital Solutions Limited, which resulted in U.S. Trade Customer  
11 virtual assets in Abra Trade Accounts actually being held on Binance.com, an unlicensed foreign  
12 exchange.

13 **1.14** On or about May 24, 2023, Plutus Financial, Inc. and Abra Trading, LLC provided a  
14 breakdown of U.S. Trade Customer virtual assets held by Plutus Financial, Inc., Abra Trading, LLC,  
15 Plutus Financial Holdings, Inc., and Plutus Lending, LLC including customer level data, for Texas  
16 customers.

17 **1.15** On or about June 7, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
18 Holdings, Inc., and Plutus Lending, LLC identified for the MTRA Working Group all entities  
19 involved in their money transmission flow of funds, including all entities necessary for processing  
20 withdrawals or executing other transactions or transfers in order to facilitate the return of virtual  
21 assets to U.S. Trade Customers of Texas.

22 **1.16** On or about June 14, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
23 Holdings, Inc., and Plutus Lending, LLC, issued an announcement that Plutus Financial, Inc., Abra

1 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC would phase out any  
2 products and services offered to U.S. Trade Customers in a gradual and orderly fashion.

3 **1.17** On or about June 15, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
4 Holdings, Inc., and Plutus Lending, LLC ceased accepting U.S. Trade Customer virtual asset  
5 allocations into their money transmission products and services, and ceased making the buying,  
6 selling, or trading of cryptocurrencies available to U.S. Trade Customers in Texas.

7 **1.18** On or about July 8, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
8 Holdings, Inc., and Plutus Lending, LLC sent a written communication to all U.S. Trade Customers  
9 stating that they should withdraw all virtual assets held by Plutus Financial, Inc., Abra Trading, LLC,  
10 Plutus Financial Holdings, Inc., and Plutus Lending, LLC prior to July 31, 2024.

11 **1.19** On or about June 25, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
12 Holdings, Inc., and Plutus Lending, LLC posted separate clear and conspicuous notifications that  
13 U.S. Trade Customers should withdraw all virtual assets held by Plutus Financial, Inc., Abra Trading,  
14 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC prior to July 31, 2024, on their  
15 mobile application, website, and all social media platforms on which they are active.

16 **1.20** On or about June 25, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
17 Holdings, Inc., and Plutus Lending, LLC confirmed and ratified the announcement of June 14, 2023,  
18 to phase out any money transmission products and services offered to U.S. Trade Customers in a  
19 gradual and orderly fashion, with all necessary amendments for consistency with the executed Term  
20 Sheet.

21 **1.21** On or about June 25, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
22 Holdings, Inc., and Plutus Lending, LLC attested, under penalty of perjury, that as of June 25, 2024  
23

1 they held virtual assets on behalf of U.S. Trade Customers sufficient to facilitate and fulfill  
2 withdrawals of all such virtual assets belonging to all such U.S. Trade Customers residing in Texas.

3 **1.22** On or about June 25, 2024, Mr. Barhydt attested, under penalty of perjury, that as of June 25,  
4 2024 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending,  
5 LLC held virtual assets on behalf of Abra Trade’s U.S. Trade Customers sufficient to facilitate and  
6 fulfill withdrawals of all such virtual assets belonging to such U.S. Trade Customers who are  
7 residents of Texas. Mr. Barhydt further attested that he will assume personal liability for the return of  
8 all such Abra Trade U.S. Trade Customer virtual assets if Plutus Financial, Inc., Abra Trading, LLC,  
9 Plutus Financial Holdings, Inc., and Plutus Lending, LLC do not process and fulfill withdrawals of  
10 all such virtual assets belonging to all such U.S. Trade Customers residing in Texas.

11 **CONCLUSIONS OF LAW**

12 Based upon the above Findings of Fact, Plutus Financial, Inc. violated Texas Finance Code §  
13 152.101 and its predecessor § 151.302 by engaging in the business of money transmission in Texas  
14 without a license.

15 **AGREEMENT AND ORDER**

16 The Department and Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,  
17 Inc., Plutus Lending, LLC, and Mr. Barhydt have agreed upon a basis for resolution of the Finding of  
18 Facts and Conclusions of Law in this Consent Order. Pursuant to Texas Finance Code § 152.406,  
19 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
20 Mr. Barhydt hereby agree to the Department’s entry of this Consent Order and further agree this  
21 Consent Order constitutes a full and final resolution of the MTRA Working Group investigation as it  
22 relates to unlicensed money transmission by Plutus Financial, Inc., Abra Trading, LLC, Plutus  
23 Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt. Plutus Financial, Inc., Abra

1 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt neither admit  
2 nor deny the Findings of Fact and Conclusions of Law identified in this Consent Order.

3 Based upon the foregoing:

4 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter  
5 of the activities discussed herein.

6 **B. Waiver of Hearing.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC,  
7 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt hereby waive any right they  
8 may have to a hearing and any and all administrative and judicial review of the issues raised in the  
9 MTRA Working Group investigation or the resolution reached herein.

10 **C. Ceasing Operations.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra  
11 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall not accept new U.S.  
12 Trade Customer virtual asset allocations. This does not prevent Plutus Financial, Inc., Abra Trading,  
13 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC from allowing U.S. Trade Customers  
14 to withdraw their virtual assets from Abra Trade Accounts maintained by Plutus Financial, Inc., Abra  
15 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, Plutus Technologies  
16 Philippines Corporation, or Digital Capital Solutions Limited.

17 **D. No Future Activity with Unlicensed Entities.** It is AGREED and ORDERED that  
18 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
19 Mr. Barhydt shall not engage directly or indirectly with Plutus Technologies Philippines Corporation  
20 or Digital Capital Solutions Limited in order to facilitate or provide money transmission products or  
21 services to customers in Texas or with respect to U.S. Trade Customer virtual assets, except to the  
22 limited extent necessary to complete processing withdrawal requests from U.S. Trade Customers.

1 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc., Abra Trading,  
2 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt shall not engage  
3 directly or indirectly with any entity that is unlicensed or not properly licensed in order to facilitate or  
4 provide money transmission products or services to customers of Texas or with respect to U.S. Trade  
5 Customer virtual assets.

6 **E. Money Transmitter License Required.** It is AGREED and ORDERED that Plutus  
7 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall  
8 not perform money transmission or hold themselves out as a money transmitter or money service  
9 business in Texas, without first obtaining a money transmitter license in accordance with the Act or  
10 qualifying for an exclusion from licensing as delineated in the Act. It is FURTHER AGREED this  
11 provision does not prohibit Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,  
12 Inc., Plutus Lending, LLC, and Mr. Barhydt from returning U.S. Trade Customer virtual assets  
13 consistent with Paragraphs K and L of this Consent Order.

14 **F. No Control - Passive Investor Only.** It is AGREED, that Mr. Barhydt will not  
15 participate in any capacity in the conduct of the affairs of any money transmitter or money service  
16 business licensed by Texas or subject to licensure or regulation by Texas for a period of five years  
17 from June 25, 2024. This includes acting as a director, manager, owner, supervisor, control person,  
18 or qualified individual of any entity acting directly as a money transmitter or money service business  
19 in Texas or acting indirectly in such capacity through a third-party entity. Mr. Barhydt may  
20 participate as a “passive investor,” who does not otherwise exercise control of an entity duly licensed  
21 as a money transmitter or money service business in Texas.

22 It is FURTHER AGREED that if Mr. Barhydt acts as a “passive investor,” he shall not  
23 have the power to elect a majority of key individuals or executive officers, managers, directors,

1 trustees, or other persons exercising managerial authority of a person in control of a licensee; shall  
2 not be employed by and does not have any managerial duties of the licensee or person in control of a  
3 licensee; and shall not have the power to exercise, directly or indirectly, a controlling influence over  
4 the management or policies of a licensee or person in control of a licensee.

5 It is FURTHER AGREED that if after the five-year period, Mr. Barhydt or any entity for  
6 which he acts as an officer or control person applies for licensure, approval of William John  
7 Barhydt's Mr. Barhydt's application or participation in such entity's activities will be subject to any  
8 and all licensing requirements of Texas in effect at that time. It is FURTHER AGREED and  
9 ORDERED that Mr. Barhydt shall ensure that any entity he controls or as to which he is a principal  
10 that engages, in any capacity, in the conduct of the affairs of any money transmitter or money service  
11 business must be duly licensed in each jurisdiction in which it operates.

12 It is further AGREED and ORDERED that if Mr. Barhydt does not comply with the  
13 agreed upon terms set forth in this Paragraph F, it shall constitute a violation of this Consent Order.

14 **G. No Control – Effect of Paragraph F.** It is AGREED that Paragraph F is not intended to  
15 form the basis for Mr. Barhydt's disqualification from registration as a broker-dealer, securities  
16 salesperson, investment adviser, investment adviser representative, or issuer under the laws, rules,  
17 and regulations of Texas or any other jurisdiction or self-regulatory organization, or to disqualify Mr.  
18 Barhydt from relying upon the securities registration exemptions or safe harbor provisions for which  
19 Mr. Barhydt may qualify under the laws, rules and regulations of Texas or any other jurisdiction or  
20 self-regulatory organization.

21 **H. Wallet Addresses.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra  
22 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt shall continue  
23

1 to make all wallet addresses holding U.S. Trade Customer virtual assets available to Texas until all  
2 virtual assets are returned pursuant to Paragraphs K and L.

3 **I. Updated Terms of Service.** It is AGREED and ACKNOWLEDGED that legal title to all  
4 virtual assets in U.S. Trade Customer Accounts, held and maintained by Plutus Financial, Inc., Abra  
5 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC belong to the U.S. Trade  
6 Customer. It is FURTHER AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading,  
7 LLC shall immediately amend and update its terms of service, and any other terms or conditions of  
8 Plutus Financial, Inc. and Abra Trading, LLC's relationship with U.S. Trade Customers of Texas to  
9 reflect:

- 10 1. Title to a U.S. Trade Customer's virtual assets belong to the U.S. Trade Customer.
- 11 2. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus  
12 Lending, LLC, and Plutus Technologies Philippines Corporation hold virtual assets for  
13 U.S. Trade Customers in custody only.
- 14 3. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus  
15 Lending, LLC, and Plutus Technologies Philippines Corporation have and will keep U.S.  
16 Trade Customers' virtual assets segregated and will not commingle, use, pledge,  
17 rehypothecate, or lend U.S. Trade Customer virtual assets.
- 18 4. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus  
19 Lending, LLC, and Plutus Technologies Philippines Corporation will return U.S. Trade  
20 Customers' virtual assets in accordance with Paragraphs K and L of this Consent Order.

21 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading, LLC  
22 shall execute the above changes using the preapproved language in Attachment A of this Consent  
23 Order.

1           **J. Return of Customer Assets – Applicability of Securities Orders.** It is AGREED and  
2 ORDERED that U.S. Trade Customer virtual assets, or U.S. Trade Customer virtual assets converted  
3 to fiat (converted assets) transitioned by Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
4 Holdings, Inc., and Plutus Lending, LLC pursuant to any agreement or order entered with state  
5 securities regulators are subject to the terms of this Consent Order.

6           **K. Return of Customer Assets – Procedure.** It is AGREED and ORDERED that Plutus  
7 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall  
8 utilize the procedure described below to return U.S. Trade Customer virtual assets that are (a)  
9 maintained in Fireblocks Vaults on behalf of U.S. Trade Customers or otherwise under the control of  
10 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC,  
11 Plutus Technologies Philippines Corporation, or Digital Capital Solutions Limited and (b) owned by  
12 U.S. Trade Customers residing in Texas.

13 It is AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading, LLC shall convert the  
14 outstanding virtual assets owned by U.S. Trade Customers identified in Attachment B to fiat, and Plutus  
15 Financial, Inc. and Abra Trading, LLC shall send a cashier’s check or other secure bank instrument to  
16 the last known mailing address of the U.S. Trade Customer. Prior to mailing, Plutus Financial, Inc.  
17 and Abra Trading, LLC will employ reasonable measures to verify the accuracy of the U.S. Trade  
18 Customer’s last known mailing address. Checks will be sent no later than 30 days after this agreement  
19 is fully executed and shall be valid for no less than 60 days.

20           It is FURTHER AGREED that Plutus Financial, Inc. and Abra Trading, LLC shall not be  
21 responsible for any claims resulting from loss of value due to the conversion to fiat so long as Plutus  
22 Financial, Inc. and Abra Trading, LLC employ reasonable industry accepted procedures for purposes  
23 of the conversion. Except as set forth below, Plutus Financial, Inc. and Abra Trading, LLC shall not

1 be responsible for nondelivered checks.

2 It is FURTHER AGREED and ORDERED that in the event nondelivered checks are returned  
3 to Plutus Financial, Inc. and Abra Trading, LLC or remain uncashed after 90 days, Plutus Financial,  
4 Inc. and Abra Trading, LLC shall take the appropriate steps to identify U.S. Trade Customers, amounts  
5 owed/owned, and other necessary data, and remit the converted assets to the office of the Texas  
6 Comptroller of Public Accounts (Texas Comptroller) for unclaimed property in accordance with the  
7 unclaimed property laws of Texas. The Department, Plutus Financial, Inc. and Abra Trading, LLC  
8 acknowledge and agree that the Texas Comptroller's unclaimed property rules and requirements may  
9 require the converted assets to be held for a longer statutory period in order for the outstanding U.S.  
10 Trade Customer converted assets to be considered dormant.

11 **L. Return of Customer Assets – Conflicting Orders.** It is AGREED and ORDERED  
12 that in the event that the state securities regulator in Texas has entered into a Term Sheet or Consent  
13 Order (a “Prior Securities Agreement”) that requires Plutus Financial, Inc., Abra Trading, LLC,  
14 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and/or Mr. Barhydt to return U.S. Trade  
15 Customer virtual assets held in Abra Trade Accounts, in a manner that is inconsistent with the  
16 procedure elected by the Department in Paragraph K of this Consent Order, Plutus Financial, Inc.,  
17 Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt shall:

- 18 1. Return all U.S. Trade Customer virtual asset balances consistent with the Prior  
19 Securities Agreement entered into with the Texas securities regulator; and
- 20 2. Return all remaining U.S. Trade Customer virtual assets, one cent and above, in the  
21 manner elected by the Department pursuant to Paragraph K. The Department may  
22 consider the procedure elected in the Prior Securities Agreement. However, the  
23 Department is not bound by the procedure elected in the Prior Securities Agreement,  
24 and may use the procedure elected in Paragraph K.

1 It is FURTHER AGREED and ORDERED that in the event that the state securities regulator  
2 in Texas enters into a Prior Securities Agreement that requires Plutus Financial, Inc., Abra Trading,  
3 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and/or Mr. Barhydt to return U.S. Trade  
4 Customer virtual assets held in Abra Trade Accounts prior to June 25, 2024, in a manner that is only  
5 inconsistent regarding the threshold for the amount to be returned, Plutus Financial, Inc., Abra  
6 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and/or Mr. Barhydt shall return  
7 all remaining U.S. Trade Customer virtual assets according to the procedure elected in Paragraph K.

8 **M. Return of Customer Assets – Reporting.** It is AGREED and ORDERED that Plutus  
9 Financial, Inc. and Abra Trading, LLC shall continue to provide the Department a breakdown of U.S.  
10 Trade Customer virtual assets and converted assets held by Plutus Financial, Inc., Abra Trading,  
11 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC, to include customer level data on  
12 March 31, 2025 and quarterly thereafter until Plutus Financial, Inc., Abra Trading, LLC, Plutus  
13 Financial Holdings, Inc., and Plutus Lending LLC are no longer holding virtual assets or converted  
14 assets on behalf of U.S. Trade Customers in Texas. It is FURTHER AGREED and ORDERED that  
15 this term shall be deemed fulfilled upon completion of the process elected pursuant to Paragraphs K  
16 and L of this Consent Order.

17 **N. Return of Customer Assets – No New Entities.** It is AGREED and ORDERED that  
18 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
19 Mr. Barhydt shall not engage any entity not previously identified in the process of returning virtual  
20 assets to U.S. Trade Customers.

21 **O. Return of Customer Assets – Sufficient Funds Attestation.** It is AGREED and  
22 ORDERED the signed attestation of Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
23 Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt stating Plutus Financial, Inc., Abra Trading,

1 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC hold virtual assets on behalf of U.S.  
2 Trade Customers sufficient to facilitate and fulfill withdrawals of all such virtual assets belonging to  
3 all such U.S. Trade Customers residing in Texas, Attachment C, is incorporated as part of this  
4 Consent Order. It is FURTHER AGREED and ORDERED that it is a violation of this Consent  
5 Order, if it is determined that any part of the attestation, at the time the attestation was executed, was  
6 false.

7 **P. Return of Virtual Assets – Personal Guarantee.** It is AGREED and ORDERED that  
8 Mr. Barhydt shall personally and unconditionally guarantee that Plutus Financial, Inc., Abra Trading,  
9 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC have the ability to facilitate and  
10 fulfill withdrawals of all U.S. Trade Customer virtual assets. It is FURTHER AGREED and  
11 ORDERED that if Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and  
12 Plutus Lending, LLC do not fulfill withdrawals of all U.S. Trade Customer virtual assets, Mr.  
13 Barhydt shall be personally liable for the return of all U.S. Trade Customer virtual assets withdrawals  
14 not fulfilled. It is FURTHER AGREED and ORDERED that this term shall be deemed fulfilled upon  
15 completion of the process elected pursuant to Paragraphs K and L of this Consent Order.

16 **Q. Public Statements – Factual Basis.** It is AGREED and ORDERED that Plutus  
17 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr.  
18 Barhydt shall not take any action or make or permit to be made any public statement, including in  
19 regulatory filings, any proceeding in any forum or otherwise, denying, directly or indirectly, any  
20 allegation referenced in this Consent Order or create the impression that the Consent Order is without  
21 factual basis. It is FURTHER AGREED and ORDERED that except as specifically provided herein,  
22 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
23 Mr. Barhydt shall not take any position in any proceeding brought by or on behalf of the Department,

1 or to which the Department is a party, that is inconsistent with any part of this Consent Order. It is  
2 FURTHER AGREED that nothing in this provision affects Plutus Financial, Inc.'s, Abra Trading,  
3 LLC's, Plutus Financial Holdings, Inc.'s, Plutus Lending, LLC's, and Mr. Barhydt's (i) testimonial  
4 obligations, or (ii) right to take legal or factual positions that may contradict an allegation in the  
5 Consent Order in litigation or other legal proceedings in which the Department is not a party.

6 **R. Customer Identification Procedures and Policy.** It is AGREED and ORDERED that  
7 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
8 Mr. Barhydt shall implement and maintain adequate identification verification procedures and  
9 policies to ensure that it does not provide money transmission products or services to customers of  
10 Texas unless and until such time Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
11 Holdings, Inc., Plutus Lending LLC, or Mr. Barhydt are appropriately licensed to offer such money  
12 transmission products or services to customers of Texas

13 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc., Abra Trading,  
14 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall clearly and conspicuously state  
15 on their mobile application and website, or any third-party services that Plutus Financial, Inc., Abra  
16 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC do not provide money  
17 transmission products and services to customers of Texas.

18 **S. Fine.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra Trading, LLC,  
19 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt shall jointly and severally pay  
20 a fine to the Department in the amount of \$250,000. It is FURTHER AGREED that \$250,000 of the  
21 fine is stayed (Stayed Fine) for five years subject to full compliance by Plutus Financial, Inc., Abra  
22 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt with this  
23 Consent Order.

1 It is FURTHER AGREED that the stay may be lifted and the Stayed Fine imposed in  
2 accordance with the terms stated in Paragraph T. Absent any action by the Department to lift the  
3 Stayed Fine pursuant to Paragraph T, Plutus Financial, Inc.'s, Abra Trading, LLC's, Plutus Financial  
4 Holdings, Inc.'s, Plutus Lending, LLC's, and Mr. Barhydt's obligation to pay the Stayed Fine shall  
5 be vacated five years from the date of entry of this Consent Order without further action or notice by  
6 the Department.

7 **T. Lifting of Stay and Imposing Stayed Fine.** It is AGREED that:

8 In the event the Department determines that Plutus Financial, Inc., Abra Trading, LLC, Plutus  
9 Financial Holdings, Inc., Plutus Lending, LLC, or Mr. Barhydt have not complied with the terms of  
10 this Consent Order, the Department will provide written notice to each respondent that will include a  
11 description of the alleged non-compliance and an opportunity to meet and confer regarding the basis  
12 for the determination of non-compliance. If the Department determines the alleged non-compliance is  
13 not adequately addressed within 45 days of the notice of non-compliance, the stay will be lifted and  
14 the Stayed Fine imposed.

15 **U. Limited Use – Liability, Defenses and Private Rights of Action.** It is AGREED that  
16 this Consent Order is not intended to be used for any other purpose or to resolve any claims under  
17 any other state or federal law. Other than the obligations and provisions set forth herein, this  
18 agreement does not limit or create liability for Plutus Financial, Inc., Abra Trading, LLC, Plutus  
19 Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt, nor limit or create defenses for  
20 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
21 Mr. Barhydt to any claims. It is FURTHER AGREED that this Consent Order does not give rise to  
22 or limit any private rights of action.

1           **V. Applicability.** It is AGREED that this Consent Order is entered into solely for the  
2 purpose of resolving the above referenced multistate investigation with respect to unlicensed money  
3 transmission activity committed by Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
4 Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt between March 2021 to June of 2023 only. It  
5 is FURTHER AGREED that this Consent Order does not extend to any potential unlicensed money  
6 transmission activity of Abra Boost, Plutus Technologies Philippines Corporation, and Digital  
7 Capital Solutions Limited. It is FURTHER AGREED that this Consent Order does not extend to any  
8 ongoing or future money transmission activities, except for money transmission activity undertaken  
9 in accordance with Paragraphs K and L of this Consent Order.

10           **W. Other Investigations.** It is AGREED that this Consent Order shall constitute a full and  
11 final resolution of the MTRA Working Group investigation. It is FURTHER AGREED that the  
12 Department, will not file any enforcement action for violations or potential violations of money  
13 transmission statutes enforced by the Department with respect to the facts and circumstances that  
14 were the subject of the MTRA Working Group investigation described herein as it relates to Plutus  
15 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr.  
16 Barhydt. It is FURTHER AGREED that this provision in no way limits Texas’s authority to file any  
17 other enforcement action in the event Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial  
18 Holdings, Inc., Plutus Lending, LLC, or Mr. Barhydt do not comply with all terms of this Consent  
19 Order.

20           **X. Change of Contact Information.** It is AGREED and ORDERED that for the duration of  
21 the period this Consent Order is in effect, unless otherwise agreed to in writing by the Department,  
22 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
23 Mr. Barhydt shall provide the Department with a mailing address, telephone number, and e-mail

1 address at which they can be contacted. It is FURTHER AGREED that Plutus Financial, Inc., Abra  
2 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt shall notify  
3 the Department in writing of any changes to their mailing address or telephone number within 15  
4 days of any such change.

5 **Y. Non-Compliance with Order.** It is AGREED that Plutus Financial, Inc., Abra Trading,  
6 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt understand that failure  
7 to abide by the terms and conditions of this Consent Order may result in further legal action by the  
8 Department. In the event of such legal action, Plutus Financial, Inc., Abra Trading, LLC, Plutus  
9 Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt may be responsible to reimburse the  
10 Department for the cost incurred in pursuing such action, including but not limited to, attorney fees.

11 **Z. Voluntarily Entered.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC,  
12 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt have voluntarily entered into  
13 this Consent Order, which is effective when signed by the Commissioner.

14 **AA. Binding Agreement.** It is AGREED that this Consent Order shall be binding upon  
15 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and  
16 Mr. Barhydt and their successors and assigns.

17 **BB. Reporting.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC, Plutus  
18 Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt acknowledge that this Consent  
19 Order is a public record and is a reportable event for the purposes of NMLS, as applicable.

20 **CC. Completely Read, Understood, and Agreed.** It is AGREED that Plutus Financial,  
21 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and Mr. Barhydt  
22 have read this Consent Order in its entirety and fully understand and agree to all of the same  
23

1 acknowledge that they have had the opportunity to consult with and be represented by independent  
2 counsel in negotiating and reviewing this Consent Order and executes this Consent Order freely.

3 **DD. Authority to Execute Order.** It is AGREED that the undersigned have represented  
4 and warranted that they have the full power and right to execute this Consent Order on behalf of the  
5 parties represented.

6 **EE. Counterparts.** This Consent Order may be executed in any number of counterparts,  
7 including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed to be an  
8 original, but all of which, taken together, shall constitute one and the same Consent Order.

9 **RESPONDENTS:**

10 By:

11 /s/ William Barhydt 02/06/2025  
12 Authorized Representative of Plutus Financial, Inc. Date  
13 Name/Title(s)

14 /s/ William Barhydt 02/06/2025  
15 Authorized Representative of Abra Trading, LLC Date  
16 Name/Title(s)

17 /s/ William Barhydt 02/06/2025  
18 Authorized Representative of Plutus Financial Holdings, Inc. Date  
19 Name/Title(s)

20 /s/ William Barhydt 02/06/2025  
21 Authorized Representative of Plutus Lending, LLC Date  
22 Name/Title(s)

23 /s/ William Barhydt 02/06/2025  
24 William John Barhydt Date  
Title(s)

1 /s/ Gregory Strong

02/06/2025

2 Gregory Strong  
3 Cahill Gordon & Reindel LLP  
4 Attorney for Respondents

Date

5 THIS ORDER ENTERED THIS 28 DAY OF February, 2025.

6 /s/ Charles G. Cooper

7 Charles G. Cooper

8 Commissioner, Department of Banking  
9