

ORDER NO. 2025-006

IN THE MATTER OF:	§	BEFORE:
	§	
LL PAY U.S., LLC	§	THE BANKING COMMISSIONER
	§	OF TEXAS
MONEY TRANSMISSION LICENSE	§	
NO. 3170	§	
	§	
	§	
NEW YORK, NEW YORK	§	AUSTIN, TRAVIS COUNTY, TEXAS

CONSENT ORDER

On this day, the matter of LL Pay U.S., LLC (“Respondent”) was submitted to me, Charles G. Cooper, Banking Commissioner (“Commissioner”) of the State of Texas, for consideration and action.

1. Respondent holds money transmission license number 3170 issued by the Texas Department of Banking (“Department”) pursuant to current Texas Finance Code (“Finance Code”) Chapter 152 (“Chapter 152”) and operates a money transmission business headquartered in New York, New York.

2. The Department has jurisdiction over Respondent and the subject matter of this proceeding pursuant to Chapter 152, and its predecessor statute, Chapter 151. The Commissioner has the authority to issue this Consent Order (“Order”) pursuant to Finance Code § 152.406.

3. Respondent has been properly notified of its right to an administrative hearing under Chapter 152.

4. The undersigned representative of the Respondent has full authority to enter into and bind the Respondent to the terms and conditions of this Order.

5. The statutory provisions at issue in this matter include, but are not limited to, Finance Code §§ 151.202, 151.207, 151.601, 151.602, 151.603, 151.604, and current Finance Code §§ 152.057, 152.201, 152.207, 152.403, 152.406, and 152.407.

6. Any violation of this Order could subject Respondent to additional regulatory or enforcement actions authorized by Chapter 152 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 152, or other applicable law.

7. This Order does not restrict the Department, the Commissioner, or the Finance Commission of Texas with respect to any enforcement action or other recourse regarding any past, current, or future violations by Respondent that come to the attention of the Department to the extent those violations are not existing and not actually known by the Department as of the effective date of this Order.

8. This Order does not restrict the Department, the Commissioner, or the Finance Commission of Texas from considering any relevant facts in determining the financial and business experience, competence, character, good faith in attempting to comply, and general fitness of a current or future license holder or applicant under Chapter 152 or each principal of, person in control of, principal of a person in control of, and proposed responsible individual of any such license holder or applicant.

9. For purposes of this proceeding, Respondent knowingly and voluntarily waives:
- a. service upon Respondent 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 in law or equity.

10. Respondent and the Commissioner agree to this Order solely for the purpose of this proceeding, and without Respondent admitting or denying the factual findings of the Commissioner stated herein or any violations of law or regulations. Respondent is voluntarily agreeing to the conditions contained in this Order. This Order does not constitute an admission by the Respondent that former Chapter 151, current Chapter 152, a rule adopted, or order issued under Chapter 151 or Chapter 152, or applicable federal regulations, 31 C.F.R. §§ 1022.210(d) and 1022.320, has been violated by the Respondent.

I. Findings

11. The Commissioner has considered this matter and finds as follows:

- a. The Department participated in a multi-state examination of the Respondent pursuant to Finance Code § 152.057 in February 2024. During the examination, the Department identified various violations of applicable laws and regulations by Respondent. Those violations are referenced below and further discussed in greater detail in the multi-state Report of Examination issued February 26, 2024.

- b. The Respondent's internal controls, policies, and procedures were out of date, inadequate in scope, and were noted in previous examinations as deficient. The Respondent also demonstrated inadequate capital adequacy, earnings, operations, and management.

c. The Respondent violated the Extraordinary Reporting requirement under Finance Code § 151.604(b)(4) for failing to notify the Commissioner of a federal indictment against a former executive officer.

d. The Respondent failed to file Permissible Investment Reports in accordance with Finance Code § 152.603(b)(2) during the examination period.

e. The Respondent failed to properly incorporate policies, procedures and internal controls in accordance with 31 C.F.R. § 1022.210(d). Specifically, the Respondent's Anti-Money Laundering ("AML") Program Policy was not formally updated despite Board approval, and the Respondent's AML Risk Assessment Matrix was not properly updated to include all of its products and services although it was noted as a deficiency in the previous examination.

f. The examination revealed repeat violations regarding the Respondent's BSA/AML program and Suspicious Activity Report ("SAR") filings required under 31 C.F.R. § 1022.320.

g. According to the examination report Respondent: (1) failed to adopt a cybersecurity program with corroborating board resolutions; (2) failed to conduct periodic access reviews and failed to develop a U.S. based cyber-security risk assessment; (3) failed to risk rate third-party service providers; and (4) failed to incorporate relevant guidelines to evaluate the cybersecurity practices of third-party service providers.

h. Respondent's company agreement stated that Board meetings would be held at least once a year. However, a review of its Board minutes from 2021 to 2023 revealed a 21-month gap between the 2022 and 2023 Board meetings.

i. The examination report also found late filings to report changes in management and/or control, and understatement of outstanding transmission liability due to early extinguishment.

j. On May 23, 2024, the Respondent provided the Department with a remediation plan with self-imposed deadlines, discussing corrective actions it intended to implement to remediate all deficiencies identified during the examination. On August 27, 2024, the Respondent provided the Department with a revised business plan, and on October 14, 2024, the Respondent informed the Department that it substantially completed work on its remediation plan, to correct deficiencies and bring its compliance and risk management programs into alignment with applicable law and supervisory expectations.

12. As required by Finance Code § 152.407(d), the Commissioner has considered the seriousness of the violations, Respondent's compliance history, and Respondent's good faith in attempting to comply with applicable law and finds that a penalty of \$60,000 is appropriate.

13. This Order does not restrict the Department with respect to any enforcement action, or other recourse, regarding any other violations by Respondent not now known to the Department, which may come to the attention of the Department. Nothing herein shall be construed to limit Respondent's right to contest any future finding or determination of non-compliance.

14. The terms, conditions, and limitations of this Order may be amended or terminated at any time upon the written agreement of both parties.

II. Order

It is hereby ORDERED, ADJUDGED, and DECREED that:

15. Respondent must remediate all violations cited in the Report of Examination, issued on February 26, 2024, and provide audited financials by April 30, 2025, and must implement policies and procedures to ensure that it thereafter prevents violations from reoccurring. Further failures to comply will be considered new violations.

16. Respondent must successfully implement its remediation plan, submitted to the Department on May 23, 2024, and its business plan, submitted to the Department on August 27, 2024, by April 30, 2025.

17. Within 30 days of the effective date of this Order, Respondent must pay \$60,000 to the Department as an administrative penalty under Texas Finance Code § 152.407.

18. Respondent LL Pay shall continue to make a good faith effort to fulfill all the requirements to maintain its money transmission in Texas, as detailed in Chapter 152 of the Finance Code.

Effective Date

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 8th day of April, 2025.

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

AGREED AS TO FORM AND SUBSTANCE:

LL Pay U.S., LLC

By: /s/ Xiaosong Zhu

Date: April 4, 2025

APPROVED AS TO FORM:

/s/ Shanice Pommells
Shanice Pommells
Assistant General Counsel
Texas Department of Banking

Date: April 7, 2025