

**ORDER NO. 2025-009**

<b>IN THE MATTER OF:</b>	§	<b>BEFORE:</b>
	§	
<b>RIVER FINANCIAL INC.</b>	§	<b>THE BANKING</b>
	§	<b>COMMISSIONER OF TEXAS</b>
	§	
<b>COLUMBUS, OHIO</b>	§	<b>AUSTIN, TRAVIS COUNTY, TEXAS</b>

**CONSENT ORDER**

On this day, the matter of River Financial Inc. (Respondent) was submitted to me, Charles G. Cooper, Banking Commissioner (Commissioner) of the State of Texas, for consideration and action.

1. Respondent is a U.S.-based digital asset service provider offering a Bitcoin brokerage where clients buy, sell, and hold Bitcoin, with Respondent acting as the principal to each transaction.

2. The Texas Department of Banking (Department) has jurisdiction over the subject matter of this proceeding pursuant to *Texas Finance Code* (Finance Code) Chapter 152 (Chapter 152) and including its predecessor statute Chapter 151 (Chapter 151). The Commissioner has the authority to issue this Consent Order (Order) and to assess administrative penalties pursuant to Finance Code §§ 151.706, 151.707, 152.406 and 152.407.

3. Respondent has been properly notified of its right to an administrative hearing under Chapters 151 and 152.

4. The undersigned representative of Respondent has full authority to enter into and bind the respective 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 §§ 151.301, 151.302, 151.702, 151.706, 151.707, 152.003, 152.101, 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. 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;
- h. judicial review of this Order as provided by *Texas Government Code* § 2001.171 *et seq.*; and
- i. any other challenge to the validity of this Order in law or equity.

8. 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. This Order does not constitute an admission by Respondent that Chapter 152, Chapter 151, or a rule adopted, or order issued under Chapter 152 or Chapter 151 has been violated.

### **I. Findings**

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

- a. In connection with its Bitcoin brokerage services, Respondent provides clients with an account in which the client may deposit USD funds in advance of any

transaction. These funds are then held by Respondent until such time as the client decides to purchase Bitcoin or withdraw the funds.

b. Respondent initially came to the Department to apply for a money transmission license on February 9, 2024, as a result of the Texas legislature adopting Chapter 160 of the Finance Code regarding digital asset service providers, and in an effort to ensure future activity is compliant with applicable law. During the review of the application, the Department determined that Respondent was currently engaged in licensable activity.

c. Under Finance Code § 151.301(b)(4), money transmission meant “the receipt of money or monetary value by any means in exchange for a promise to make the money or monetary value available at a later time or different location.” Chapter 151 defines engaging in the business of money transmission as receiving compensation or expecting to receive compensation, directly or indirectly, for conducting money transmission. Finance Code § 151.302(b). The Department has concluded that by receiving funds in exchange for a promise to distribute those funds at a later time or different location, Respondent has been conducting money transmission.

d. Finance Code § 152.003(22)(A)(iii) defines money transmission to specifically include “receiving money for money transmission services from a person located in this state.” The Department has interpreted “money transmission services” to mean (a) the receipt of money or monetary value by any means, and (b) a reciprocal promise to make money or monetary value available at a later time or different location. Chapter 152 deems a person to be engaging in the business of money transmission if “the person receives compensation or expects to receive compensation, directly or indirectly,

for conducting money transmission”. Finance Code § 152.101(b). The Department has concluded that Respondent has been conducting money transmission due to its receipt of USD funds deposited by customers who then determine whether to use the deposited funds at a later time to purchase bitcoin or make a withdrawal. The Respondent does not directly charge a fee for this service, but expects to receive compensation indirectly through trading fees associated with purchases of bitcoin.

e. Finance Code § 151.302(a) provided that “a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as a person that engages in the business of money transmission” without a license unless it is an authorized delegate of a license holder, is excluded from licensure under Chapter 151, or has been granted an exemption under Chapter 151.

f. Finance Code § 152.101(a) provides that “a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as engaging in the business of money transmission” without a license unless it is an authorized delegate of a license holder, is excluded from licensure under Chapter 152, or has been granted an exemption under Chapter 152.

g. As described above, the Department has concluded that: (i) Respondent has been conducting money transmission in Texas as defined in Chapters 151 and 152; (ii) the Department has not licensed Respondent; (iii) Respondent is not an authorized delegate of a license holder; (iv) Respondent is not excluded from licensure under Chapter 151 or Chapter 152; and (v) Respondent has not been granted an exemption under Chapter 151 or Chapter 152. Consequently, the Commissioner finds that Respondent has violated Finance Code § 151.302 and Finance Code § 152.101.

h. 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 Chapter 151 and Chapter 152.

10. Respondent has agreed to pay the amount set out in the Order below.

11. Nothing in this Order shall prohibit Respondent from obtaining a money transmission license from the Department in the future.

12. 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.

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

### **Order**

It is hereby ORDERED, ADJUDGED, and DECREED that:

14. Within 30 days of the effective date of this Order, Respondent will pay \$56,544.68 to the Department as an administrative penalty under Finance Code § 152.407.

15. Respondent shall continue making a good faith effort to fulfill all the requirements to obtain a license to conduct money transmission in Texas as detailed in Chapter 152 of the Finance Code. In the event that this Order terminates or expires, or Respondent's license application is withdrawn by Respondent, or denied pursuant to Finance Code § 152.206, Respondent shall:

a. Within 15 days of said withdrawal, suspension, abandonment, or denial, notify Respondent's existing Texas customers that it will cease providing money

transmission to them. This notification must be made in writing, and a copy of the notice must be sent contemporaneously to the Department;

b. Within 60 days of said withdrawal, suspension, abandonment, or denial, cease and desist from engaging in the unauthorized business of money transmission in Texas and return Texas customer funds held by Respondent to its Texas customers; and

c. Within seven days of achieving full compliance with this paragraph, confirm to the Department in writing that Respondent has ceased all unlicensed activities in Texas.

**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 5th day of May, 2025.

/s/ Charles G. Cooper

Charles G. Cooper  
Commissioner, Department of Banking

**AGREED AS TO FORM AND SUBSTANCE:**

RIVER FINANCIAL INC.

By: /s/ Alexander Leishman

Name: Alexander Leishman

Date: May 2, 2025

**APPROVED AS TO FORM:**

/s/ Marcus Adams

Marcus Adams  
Deputy General Counsel  
Texas Department of Banking

Date: 5/5/2025