

ORDER NO. 2025-010

IN THE MATTER OF:	§	BEFORE:
	§	
FORIS DAX, INC.	§	THE BANKING
	§	COMMISSIONER OF TEXAS
	§	
TYLER, TEXAS	§	AUSTIN, TRAVIS COUNTY, TEXAS

CONSENT ORDER

On this day, the matter of Foris DAX, 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 Tyler, Texas based entity that operates the website, Crypto.com and an accompanying mobile app through which customers can engage in a number of virtual currency related services.

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

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

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

5. The statutory provisions at issue in this matter include, but are not limited to, Finance Code §§ 152.003, 152.101, 152.401, 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.

8. Respondent and the Commissioner agree to this Order solely for the purpose of this proceeding, and without Respondent admitting or denying any violations of law or regulations. This Order does not constitute an admission by Respondent that Chapter 152 or a rule adopted, or order issued under Chapter 152 has been violated.

I. Findings

9. The Commissioner has considered this matter and finds as follows:
 - a. Through its website and accompanying mobile app, Respondent provides customers the ability to buy, sell, store, and transfer virtual currency assets, including stablecoins. Customers are also provided an account by Respondent, acting through its

affiliates, in which they can deposit fiat currency for later use.

b. On July 22, 2021, the Department received an application for a money transmission license from the Respondent.

c. Until September 1, 2023, money transmission was regulated in Texas under Chapter 151 of the Finance Code. Under Finance Code § 151.301(b)(4), money transmission was defined as “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.” The Finance Code defined 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). A person could not engage in such activity, or advertise, solicit, or hold itself out as a person that engages in the business of money transmission without a license unless it was acting as an authorized delegate of a license holder, or was otherwise exempt or excluded from licensure under Chapter 151. Finance Code § 151.302(a).

d. Chapter 152 of the Finance Code was adopted by the Texas Legislature as a replacement of Chapter 151 and became effective on September 1, 2023. Under Finance Code § 152.003(22), “money transmission” means “receiving money for money transmission services from a person located in this state.” The receipt of money or monetary value by any means in exchange for a promise to make money or monetary value available at a later time or different location is a money transmission service. The Finance Code states that “a person engages 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). Finance Code § 152.254 provides 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 the person is exempt under Chapter 152.

e. Whether under the provisions of Chapter 151 or Chapter 152 of the Finance Code, Respondent itself is engaged in the business of money transmission in this state through its services outlined above as they receive money or monetary value, in the form of fiat currency or stablecoin, in exchange for a promise to make money or monetary value, in the form of fiat currency or stablecoin, available at a later time or different location.

f. On April 29, 2025, Respondent received a money transmission license from the Department.

g. As described above, the Department has concluded that: (i) Respondent has conducted unlicensed money transmission in Texas; (ii) prior to April 29, 2025, the Department had not licensed Respondent; (iii) Respondent was not subject to an exemption under Chapter 151 or applicable rules prior to being licensed by the Department; and (iv) Respondent is not subject to an exemption under Chapter 152 or applicable rules.

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 152.

i. Based on these findings and based on the representations made by Respondent as to the volume of transactions and length of time it had been conducting an unlicensed money transmission business in Texas, the Commissioner finds that a penalty of \$87,108.63 is appropriate.

10. Respondent has agreed to comply with the terms that are set out in the Order below.

11. 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

that 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.

Order

It is hereby ORDERED, ADJUDGED and DECREED that:

1. Within thirty (30) days of the Effective Date of this Order, Respondent will pay \$87,108.63 to the Department as an administrative penalty under Texas Finance Code § 152.407.

2. Respondent will comply with the obligations of its license to conduct money transmission in Texas as detailed in Chapter 152 of the Finance Code. In the event that Respondent elects to surrender its license or Respondent's license is suspended or revoked, Respondent will confirm to the Department in writing that Respondent has ceased all unlicensed activities in Texas within seven (7) days of the Department's notification of said surrender, suspension, , or revocation.

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:

Foris DAX, Inc.

/s/ James Grabow

James Grabow
President

Date: May 1, 2025

APPROVED AS TO FORM:

/s/ Marcus Adams

Marcus Adams
Deputy General Counsel
Texas Department of Banking

Date: 5/5/2025