

**ORDER NO. 2026-008**

**IN THE MATTER OF:**

**BROTHERHOOD WORKS, LLC**

**FORT WAYNE INDIANA**

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**BEFORE:**

**THE BANKING**

**COMMISSIONER OF TEXAS**

**AUSTIN, TEXAS**

**CONSENT ORDER**

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

1. Respondent is an Indiana company based in Fort Wayne, Indiana, that provides, in part, payroll processing 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. judicial review of this Order as provided by *Texas Government Code* § 2001.171 *et seq.*;and
  - h. 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 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 or a rule adopted under Chapter 152 has been violated.

9. The Commissioner has considered this matter and finds as follows:
  - a. Since 2012, Respondent has provided payroll processing services that entail Respondent receiving money for money transmission services under contracts to deliver employee payrolls and make payment of payroll taxes to applicable taxing authorities.
  - b. Respondent first applied to the Department for a money transmission license in December

2025, but the application was returned since the submission was incomplete. Respondent then filed a second application for a money transmission license with the Department on February 13, 2026, which was accepted for processing on March 19, 2026, and remains under review.

- c. Until September 1, 2023, money transmission was regulated in Texas under Chapter 151 of the Finance Code. Under former 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.” Former Finance Code § 151.302(b) defined “engaging in the business of money transmission” as “receiving compensation or expecting to receive compensation, directly or indirectly, for conducting money transmission.” Under former Finance Code § 151.302(a), 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.
- d. Chapter 152 of the Finance Code was adopted by the Texas Legislature as a replacement for 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” and “includes payroll processing services.” Finance Code § 152.101(b) 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(a) 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. Finance Code § 152.003(31) states that “payroll processing services” means “receiving money for money transmission services under a contract with a person to deliver wages or salaries, make payment of payroll taxes to state and federal agencies, make payments relating to an employee benefit plan, or make distributions of other authorized deductions from wages or salaries.”
- f. Under both former Chapter 151 and current Chapter 152, Respondent has engaged in the business of money transmission in this State through the services outlined above, as it receives money and monetary value for transmission and engages in payroll processing services.
- g. As described above, the Department has concluded that: (i) Respondent has conducted money transmission in Texas; (ii) the Department has not licensed Respondent; (iii) Respondent was not subject to an exemption under former Chapter 151 or applicable rules; and (iv) Respondent is not subject to an exemption under current 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 applicable law.
- i. Based on these findings and based on the representations made by Respondent as to the volume of transactions and length of time it has been conducting an unlicensed money transmission business in Texas, the Commissioner finds that a penalty of \$75,000 is appropriate.

10. Respondent has agreed to comply with the terms that are 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 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:

13. Within thirty days of the effective date of this Order, Respondent will pay \$75,000 to the Department as an administrative penalty under Texas Finance Code § 152.407.

14. 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.

15. In the event this Order terminates or expires, or Respondent's license application is withdrawn by Respondent or denied pursuant to Finance Code § 152.106, Respondent shall:

- a. Within 15 days of said failure to file, withdrawal, suspension, abandonment, or denial, notify Respondent's existing Texas customers that it will cease providing money transmission services 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 any 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 money transmission 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 8th day of May, 2026.

/s/ Charles G. Cooper  
Charles G. Cooper  
Texas Banking Commissioner

**AGREED AS TO FORM AND SUBSTANCE**

Brotherhood Works, LLC  
/s/ Stephen W. Case  
Name: Stephen W. Case  
Title: Secretary  
Date: April 30, 2026

**APPROVED AS TO FORM:**

/s/ Jesse T. Moore  
Jesse Moore  
Assistant General Counsel  
Texas Department of Banking  
Date: May 8, 2026