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ARKANSAS SECURITIES DEPT.

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER  
CASE NO. C-13-0008**

**IN THE MATTER OF:**

**ORDER NO. C-13-0008-13-OR01**

**TOUCHPAY HOLDINGS, LLC**

**CONSENT ORDER**

This Consent Order is entered pursuant to the Arkansas Money Services Act (“Act”), Ark. Code Ann. §§ 23-55-101 through 23-55-1006, the Arkansas Money Services Rules (“Rules”), and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-219, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and TouchPay Holdings, LLC (“TouchPay”), in full and final settlement of all claims that could be brought against TouchPay by the Staff on the basis of the facts set forth herein.

TouchPay admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing, consents to the entry of this order to resolve all claims by the Staff, and agrees to abide by the terms of this order.

**FINDINGS OF FACT**

1. TouchPay is a limited liability company with its principal office located at 7801 Mesquite Bend Drive, Suite 101, Irving, Texas 75063. TouchPay provides money transmission services to correctional facilities through self-service kiosks that allow electronic payments for inmate accounts that may be used for commissary, phone services, or other permissible uses.
2. TouchPay has applied to be licensed to provide money transmission in Arkansas.
3. TouchPay engaged in the business of money transmission in Arkansas without a license from 2009 through 2012.

4. From 2009 through 2012, TouchPay transmitted approximately \$1.3 million in approximately 29,000 transactions for Arkansas residents.
5. TouchPay has cooperated fully with the Staff during the Staff's investigation of this matter. It is Staff's recommendation with the resolution of this matter through entry of this order that TouchPay's pending license application be immediately approved.

#### **CONCLUSIONS OF LAW**

6. Pursuant to Ark. Code Ann. §§ 23-55-101 through 23-55-1006 the Commissioner has jurisdiction over TouchPay and the subject matter of this proceeding.
7. Ark. Code Ann. § 23-55-201(a) states that a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed under this subchapter or approved to engage in money services under §23-55-203. As detailed in paragraphs three and four, the failure by TouchPay to obtain a license from the Arkansas Securities Department under the Act prior to engaging in the business of money transmission or advertising, soliciting, or holding itself out as providing money transmission in Arkansas constituted violations of Ark. Code Ann. § 23-55-201(a).
8. Pursuant to Ark. Code Ann. § 23-55-805 the Commissioner has the authority to assess a civil penalty against a person that violates the Act in an amount not to exceed \$1000 per day for each day the violation is outstanding. The violations by TouchPay support an assessment by the Commissioner of a civil penalty against TouchPay pursuant to Ark. Code Ann. § 23-55-805.
9. Ark. Code Ann. § 23-55-804 permits the informal disposition of an allegation by consent order.

**ORDER**

By agreement and with the consent of the Staff and the authorized representative of TouchPay, it is hereby ordered that TouchPay shall pay a civil penalty in the amount of six thousand dollars (\$6,000.00) to the Arkansas Securities Department. Payment shall be made by TouchPay with the submission of its agreement and consent to the terms of this order. Further, TouchPay shall comply with the provisions of the Act and Rules with regard to all future money transmission activities in Arkansas.

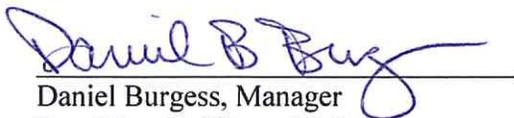
IT IS SO ORDERED.



A. HEATH ABSHURE  
Arkansas Securities Commissioner

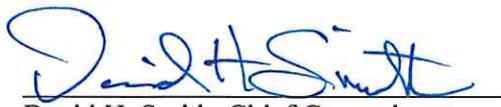
May 20, 2013  
Date

Approved as to Content and Form:



Daniel Burgess, Manager  
TouchPay Holdings, LLC

5/13/2013  
DATE



David H. Smith, Chief Counsel  
Arkansas Securities Department

5-20-2013  
DATE