

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-14-0086
ORDER NO. C-14-0086-14-OR01

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

XCHANGE OF AMERICA, LLC
XCHANGE OF AMERICA, INC

RESPONDENTS

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Money Services Act (“Act”), codified at Ark. Code Ann. §§ 23-55-101 through 23-55-1005, the Arkansas Money Services Rules (“Rules”), and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and the Respondents, XChange Of America, LLC (“XOA, LLC”) and XChange of America, Inc. (“XOA, INC”) (Both XOA, LLC and XOA, INC, hereinafter referred to in the singular “XOA” unless specifically set out individually as LLC or INC), in full and final settlement of all claims that could be brought against XOA, LLC and XOA, INC by the Staff on the basis of the facts set forth herein.

By signing below, XOA admits that jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”) are proper, waive its right to a formal hearing and appeal, and, without admitting or denying the Findings of Fact Conclusions of Law herein, consents to the entry of this Order and agrees to abide by its terms.

FINDINGS OF FACT

1. XOA, LLC is a Limited Liability Company organized under the laws of Florida, with its principal office located at 819 South Federal Highway, Suite 10, Stuart, Florida 34994. XOA, INC is a Corporation organized under the laws of Florida, with its principal office located at 819 South Federal Highway, Suite 10, Stuart, Florida 34994. Neither, XOA, LLC, nor XOA, INC, are currently licensed or approved under the Act in any capacity.

2. XOA holds itself out to the public as a currency exchanger that provides services throughout the United States.

3. XOA has engaged in the business of currency exchange in Arkansas without a license or approval under the Act from sometime in 2008, through the date of this Order.

4. From 2008, through the date of this Order, XOA has exchanged approximately Five Hundred Fifty-Five Thousand Dollars (\$555,000.00) for residents of the State of Arkansas.

5. XOA has fully cooperated with the Staff during the Staff's investigation of this matter. Furthermore, the Staff has not received any complaints from Arkansas customers who have done business with XOA.

6. XOA has informed the Staff that it intends and desires to transact business in Arkansas in the future and, to that end, has applied for licensure pursuant to the Act. It is Staff's recommendation, with the resolution of this matter through the entry of this order and payment of the civil penalty, that the pending license application for XOA, LLC be immediately approved.

CONCLUSIONS OF LAW

7. Pursuant to Ark. Code Ann. § 23-55-101 through 23-55-1005, the Commissioner has jurisdiction over XOA and the subject matter of this proceeding.

8. Ark. Code Ann. § 23-55-804 permits the informal disposition of an allegation by consent order.

9. Ark. Code Ann. § 23-55-401 states that a person may not engage in the business of currency exchange or advertise, solicit, or hold itself out as providing currency exchange unless the person is licensed under this subchapter, is licensed for money transmission or an authorized delegate of a person licensed under § 23-55-201 et seq., or is approved to engage in money transmission or an authorized delegate of a person approved to engage in money transmission under § 23-55-203. As alleged hereinabove, the failure by XOA to obtain a license or approval in Arkansas prior to

engaging in the business of currency exchange or advertising, soliciting, or holding itself out as providing currency exchange in Arkansas constitutes violations of Ark. Code Ann. § 23-55-401.

10. 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 One Thousand Dollars (\$1,000.00) per day for each day the violation is outstanding. The violations by XOA support an assessment by the Commissioner of a civil penalty against pursuant to Ark. Code Ann. § 23-55-805.

ORDER

By agreement and with the consent of the Staff and the authorized representative of XOA, it is hereby ordered that XOA shall be responsible for the payment of a civil penalty in the amount of Five Thousand Dollars (\$5,000.00) to the Arkansas Securities Department. The payment of said civil penalty by XOA shall be made by money order or cashier's check payable to the Arkansas Securities Department, and tendered with the submission of this Consent Order. Further, XOA shall comply with the provisions of the Act and Rules with regard to all future money exchange transactions conducted in Arkansas.

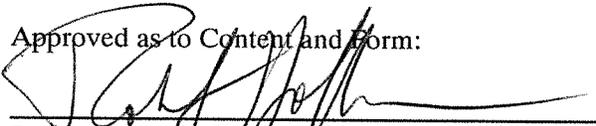
IT IS SO ORDERED.



A. Heath Abshure
Arkansas Securities Commissioner

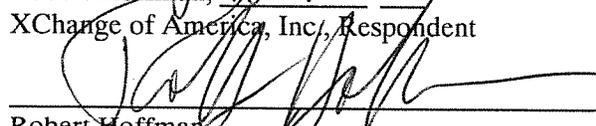
Sept. 24, 2014
Date

Approved as to Content and Form:



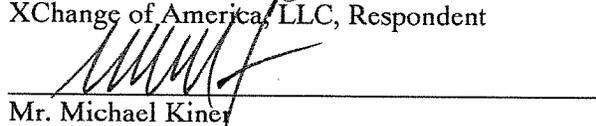
Robert Hoffmann,
XChange of America, Inc., Respondent

9/17/2014
Date



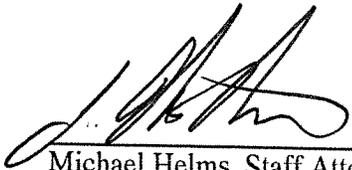
Robert Hoffmann,
XChange of America, LLC, Respondent

9/17/2014
Date



Mr. Michael Kiney
Attorney for the Respondent

9/19/2014
Date



Michael Helms, Staff Attorney
Arkansas Securities Department

9/24/2014

Date