**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**
**CASE NO. C-14-0051**

IN THE MATTER OF:

DSI - ITI, LLC

**ORDER NO. C-14-0051-14-OR01**

## 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 DSI - ITI, LLC ("DSI"), in full and final settlement of all claims that could be brought against DSI by the Staff on the basis of the facts set forth herein.

DSI admits the jurisdiction of the Act and the Arkansas Securities Commissioner ("Commissioner"), neither admits nor denies the findings of fact made herein, and solely for the purpose of this proceeding, 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.      DSI is a limited liability company with its principal office located at 5000 6th Avenue #1, Altoona, Pennsylvania 16602. DSI provides money transmission services to correctional facilities that allow electronic payments for inmate accounts for commissary and related services.

2.      DSI has applied to be licensed to provide money transmission in Arkansas.

3.      DSI unintentionally engaged in the business of money transmission in Arkansas without a license in 2013 and 2014.

4.     In 2013 and 2014, DSI transmitted approximately $570,000 in approximately 13,000 transactions in Arkansas, generating over $44,000 in fees.

5.     DSI 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 DSI's pending license application be immediately approved.
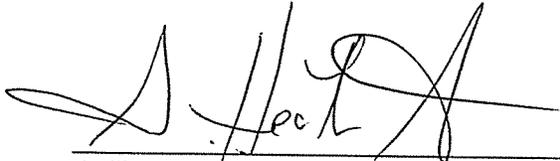
## CONCLUSIONS OF LAW

6.     Pursuant to Ark. Code Ann. §§ 23-55-101 through 23-55-1006 the Commissioner has jurisdiction over DSI 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 DSI 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 DSI support an assessment by the Commissioner of a civil penalty against DSI 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 DSI, it is hereby ordered that DSI shall pay a civil penalty in the amount of eight thousand dollars ($8,000.00) to the Arkansas Securities Department. Payment shall be made by DSI with the submission of its agreement and consent to the terms of this order. Further, DSI shall comply with the provisions of the Act and Rules with regard to all future money transmission activities in Arkansas.
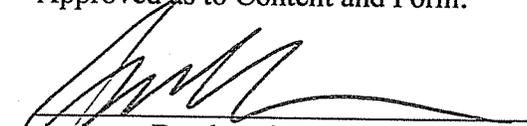
IT IS SO ORDERED.
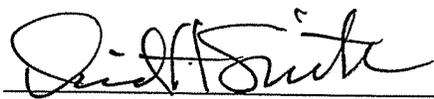
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A. HEATH ABSHURE
Arkansas Securities Commissioner

October 13, 2014
_____
Date


Approved as to Content and Form:

_____
Anthony Bambocci, President
DSI - ITI, LLC

10/2/14
_____
DATE

_____
David H. Smith, Chief Counsel
Arkansas Securities Department

10/13/2014
_____
DATE

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