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ARKANSAS SECURITIES DEPT.

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**

**CASE NO. C-22-0044**

**IN THE MATTER OF:**

**ORDER NO. C-22-0044-22-OR01**

**WEST REALM SHIRES SERVICES, INC.  
d/b/a FTX US**

**RESPONDENT**

**CONSENT AGREEMENT AND ORDER**

This Consent Agreement Order is entered pursuant to the Arkansas Money Services Act (“Act”). Ark. Code Ann. §§ 23-55-101 through 23-55-1007, The Arkansas Money Services Rules (“Rules”), and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-220, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and West Realm Shires Services Inc., d/b/a FTX US (“FTX US”).

FTX US, in order to avoid the time and expense of litigating this matter, admits the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), and without admitting or denying the allegations herein, waives its right to a formal hearing, consents to the entry of this Consent Agreement and Order to resolve all claims by the Staff, and agrees to abide by the terms of this order.

The Staff has evaluated the business practices of FTX US. Based on the results of its evaluation, together with certain disclosures FTX US made to the Department, the Staff believes that FTX US no longer meets the minimum licensing requirements in the Act.

## BACKGROUND

1. FTX US is a Delaware corporation with its headquarters in Chicago, Illinois. FTX US was granted a Money Transmitter license on November 9, 2021, and was assigned the NMLS identifier number of 1957771.
2. FTX US filed Chapter 11 in the United States Bankruptcy Court for the District of Delaware on November 11, 2022, as “Case No. 22-11071(JTD).”
3. FTX US had several changes in control persons including officers, executives, and other management.
4. The Department received notification that the bond required in the Ark. Code Ann. § 23-55-204 would be cancelled on January 10, 2023, for FTX US.
5. The Department alleges that, FTX US no longer meets the minimum licensing requirements found in the Ark. Code Ann. § 23-55-202.

## TERMS OF SETTLEMENT

6. License. Upon the Effective Date of this Order, FTX US agrees to a SUSPENSION of its Money Transmitter license, NMLS identifier number 1957771. The suspension shall remain in place until such time as FTX US provides evidence that it meets the minimum licensing requirements, has a satisfactory Examination conducted by the Department, and the Department lifts said suspension. FTX US shall not engage in the business of money transmission for a fee or other consideration without maintaining an approved money transmitter license in Arkansas.
7. Reporting. FTX US agrees, to the extent practicable, to respond to reasonable requests from the Department seeking information concerning any FTX US transactions with Arkansas consumers.

## FURTHER PROVISIONS

8. Consent. FTX US hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Compliance Office's order authority under the Ark. Code Ann. § 23-55-804 and agrees that it understands all of the terms and conditions contained herein. FTX US by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

9. Publication. The Department will publish this Order pursuant to its authority in Ark. Code Ann. § 23-55-607.

10. Entire Agreement. This Order contains the entire agreement between the Department and FTX US. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Arkansas Securities Department and FTX US. Binding Nature. The Department, FTX US, and all officers, owners, directors, employees, heirs and assigns of FTX US intend to be and are legally bound by the terms of this Order.

11. Counsel. This Order is subject to review by the Staff. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

12. Effectiveness. FTX US hereby stipulates and agrees that the Order shall become effective on the date that the Department docket this Order ("Effective Date").

13. Other Enforcement Action.

- a. The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against FTX US in the future regarding all matters not resolved by this Order.

b. FTX US acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

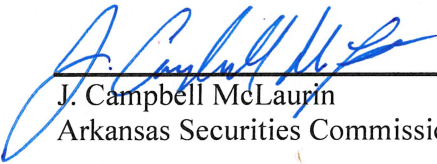
14. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.


15. Counterparts. This Order may be executed in separate counterparts, by facsimile or electronic mail in portable document format "PDF."

**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Arkansas Securities Department and FTX US, intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR ARKANSAS SECURITIES  
DEPARTMENT**

**WEST REALM SHIRES SERVICES  
INC. d/b/a FTX US**

  
\_\_\_\_\_  
J. Campbell McLaurin  
Arkansas Securities Commissioner

  
\_\_\_\_\_  
John V. Ray III  
Chief Executive Officer and Chief  
Restructuring Officer

Date: 12/20/2022

Date: 12/19/2022