

STATE OF NORTH CAROLINA

WAKE COUNTY

IN A MATTER  
BEFORE THE COMMISSIONER OF BANKS  
DOCKET NO. 23:MT:052

|                     |   |                               |
|---------------------|---|-------------------------------|
| IN RE:              | ) |                               |
|                     | ) |                               |
| COINX, INC          | ) | <b>SUMMARY SUSPENSION</b>     |
|                     | ) | <b>AND</b>                    |
|                     | ) | <b>CEASE AND DESIST ORDER</b> |
| NMLS ID No. 1091184 | ) |                               |
|                     | ) |                               |
| _____               | ) |                               |

The Commissioner of Banks (Commissioner) issues this Summary Suspension and Cease and Desist Order (Order) because she has reason to believe that:

1. On November 13, 2013, CoinX, Inc. (CoinX) (License No. 159359), submitted its first application for licensure as a money transmitter under Article 16A of Chapter 53 of the North Carolina General Statutes. On October 3, 2014, the Commissioner issued an order granting the application under certain terms and conditions, including maintaining the required surety bond and commencing operations within 12 months of the order (Docket No. 12:129:MT). This order was rescinded on October 6, 2015, because CoinX failed to comply.
2. On June 28, 2016, Article 16A of Chapter 53 of the North Carolina General Statutes was repealed and recodified as Article 16B of Chapter 53 of the North Carolina General Statutes, the Money Transmitters Act (MTA), with an effective date of October 1, 2016. Session Laws 2016-81 and 2017-102.
3. On March 23, 2022, CoinX submitted a second application for licensure under the MTA. The application was granted by approval order dated September

29, 2022 (Docket No. 22:MT:074) and required CoinX to commence operations within six months.

4. Pursuant to N.C.G.S. § 53-208.47(a), licensed money transmitters shall, at all times, maintain a surety bond in the amount of no less than One Hundred and Fifty Thousand Dollars (\$150,000.00).
5. CoinX's surety bond was canceled on October 31, 2023, and a new surety bond has not been issued.
6. Pursuant to N.C.G.S. § 53-208.57(d), the Commissioner may issue a cease and desist or summary suspension order if she has reason to believe that such a violation or failure to comply with the MTA presents an imminent threat to the public.
7. CoinX's inability to maintain the required surety bond as prescribed in the statute referenced above places North Carolina consumers at risk.

BASED UPON THE FOREGOING, the Commissioner finds that it is in the public interest to summarily suspend CoinX's money transmitter license and to order CoinX to cease and desist from the solicitation or acceptance of all money transmission activities.

IT IS, THEREFORE, ORDERED THAT:

1. Pursuant to N.C.G.S. §§ 53-208.47 and 53-208.57(d), the money transmitter license of CoinX, previously issued, is hereby SUMMARILY SUSPENDED.
2. CoinX shall cease and desist from engaging in any new money transmission activity within the State of North Carolina. CoinX is permitted, for a period of ninety (90) days from the effective date of this Order, to engage in limited money transmission activities solely for the purpose of winding down its North Carolina business for consumer obligations received prior to the effective date of this order.
3. As of the effective date of this Order, no new money transmission activities or new transmission business shall be conducted under CoinX's MTA license within the State of North Carolina.

4. Within ten (10) days of the effective date of the Order and upon further request, CoinX shall furnish a list of all its North Carolina consumers with outstanding transmission obligations and the dollar amount of those obligations by upload to NCCOB Online.
5. Within Ninety (90) days of the effective date of this Order, CoinX shall cease all its money transmission operations, and sell or transfer its money transmission activity to another North Carolina licensed money transmitter.
6. With written approval from the Commissioner, CoinX may be granted an extension for ceasing operations or selling money transmission activity. Any request for an extension must be submitted in writing to Chief Deputy Commissioner of Banks Stephanie White, before the deadline provided in the preceding paragraph.
7. Pursuant to N.C.G.S. § 53-208.57(b), CoinX may request a hearing regarding the issuance of this Order within twenty (20) days of its effective date. Such a request shall be made in writing to Angela Maynard at [REDACTED] and a hearing shall be calendared within fifteen (15) days thereafter or at such time as may be agreed upon by the parties.
8. If Respondent does not request a hearing, this Order shall remain in full force and effect until such time as it is modified or vacated by the Commissioner.

Effective Date: 11/03/2023

[REDACTED]  
Katherine M.R. Bosken  
Commissioner of Banks

**CERTIFICATE OF SERVICE**

THE UNDERSIGNED hereby certifies that he has this day served a copy of the foregoing Summary Suspension and Cease and Desist Order by email and by placing a copy of the same with a delivery service authorized by law and addressed to:

Sean Kress, Chief Executive Officer  
CoinX, Inc.  
3300 N. Ashton Blvd., Suite 200  
Lehi, UT 84043



Date: 11/03/2023

Office of the Commissioner of Banks



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