

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

IN RE:)
)
 DOXO, INC.)
 NMLS # 1513565) **DOCKET NO. 17-014-B**
)

STIPULATION AND CONSENT ORDER

The Banking Division of the Vermont Department of Financial Regulation (the “Department”) and Doxo, Inc. (“Doxo” or “Respondent”) hereby stipulate and agree as follows:

1. Pursuant to 8 V.S.A. Chapters 1 and 79, the Commissioner of the Vermont Department of Financial Regulation is charged with administering and enforcing Vermont law as it pertains to money transmitters in the State of Vermont.

2. Doxo, Inc., is a Delaware corporation with its principal place of business at 2025 First Avenue, Suite 270, Seattle, WA 98121.

3. Doxo acknowledges and admits the jurisdiction of the Commissioner over the subject matter of this Stipulation and Consent Order set forth herein.

4. Doxo provides a bill paying service for billers to deliver bills electronically to clients, and for clients to pay bills by transferring money from client accounts to billers. Clients can sign up using Doxo’s mobile app or on the Doxo website and can link all their bills and accounts to organize payments through their Doxo account.

5. In 2013, Doxo was contractually-appointed as an agent by Noventis, Inc., formerly known as PreCash, Inc., (“Noventis”) a Vermont licensed money transmitter. A June 16, 2015 amendment to Doxo’s contract, read: “**Vermont**. Appointment. PreCash (as “licensee) hereby appoints Agent (as “authorized delegate”) with authority to engage in money transmission on behalf of licensee.”

6. Vermont's Money Services Act, 8 V.S.A. Chapter 79 limits an "authorized delegate" of a licensee to a person located in Vermont. 8 V.S.A. § 2500(2).

7. In mid-2016, Noventis notified Doxo that it could not serve as an authorized delegate in Vermont because it did not have a physical location in Vermont.

8. Following this notification by Noventis, on August 26, 2016, Doxo submitted a filing through the Nationwide Multistate Licensing System ("NMLS") to obtain a Vermont money transmitter license, and immediately ceased all enterprise sales activity, promotional activity and the addition of new billers in Vermont. Doxo believed at the time that the best and least disruptive outcome for users of the Doxo service in Vermont was to continue to allow users to pay their bills through the Doxo service, and that the immediate application for a license following notification by Noventis would be considered appropriate remedy. The Department did not authorize Doxo to continue to operate while the application was pending.

9. The Department asserts that Doxo violated Vermont's money transmitter laws by engaging in money transmission without a license, in that Doxo did not qualify as an authorized delegate because it was not "located in Vermont" per 8 V.S.A. § 2500(2) and was operating without a physical location within the state. Doxo asserts that, at the time, it believed it was acting as an authorized delegate of a Vermont transmitter licensee. As part of this Stipulation and Consent Order, Doxo neither admits nor denies the Department's allegation that Doxo violated Vermont's money transmitter laws by engaging in money transmission without a license or authorization under Title 8, Chapter 79.

10. Based on information provided by Doxo, since June 1, 2013, the Department finds that prior to obtaining a license in Vermont, in aggregate, Doxo transmitted to, from or among Vermont customers a total of \$316,374.29 on 1,808 transactions, which includes \$9,502.36 in fees.

Doxo certifies that the above constitutes the total of the business it conducted and fees it earned in Vermont since June 2013.

11. At all times, Respondent has cooperated with the Department.

12. The parties wish to resolve this matter without administrative or judicial proceedings.

13. Respondent and the Department expressly agree to enter into this Stipulation and Consent Order in full and complete resolution of the alleged violations described herein.

14. Respondent agrees to pay \$8,686.19 to the Department of Financial Regulation; representing an administrative penalty in the amount of \$2,500.00 and disgorgement of fees earned since July 1, 2016 in the amount of \$6,186.19. This shall be paid within ten (10) days of the execution of this Stipulation and Consent Order.

15. Respondent shall maintain a minimum net worth of no less than \$100,000 at all times, as required by 8 V.S.A §2510. Doxo has provided letters from investors verifying their commitment to support Doxo. In the event that either of these investors should withdraw their support, Respondent must notify the Department within 10 days.

16. Respondent shall not, either directly or through its affiliates, engage in the business of money transmission in Vermont without a Vermont money transmitter license.

17. This Stipulation and Consent Order shall not prevent any person from pursuing any claim he or she may have against Respondent, nor shall it be understood as determining whether any such claim may or may not exist in law or equity. Nothing contained herein shall be deemed an admission by Respondent.

18. Nothing contained in this Stipulation and Consent Order shall restrain or limit the Department in responding to and addressing any actual complaint filed with the Department

involving Respondent and the Department reserves the right to pursue restitution in connection with any complaint filed with the Department.

19. The Department and Respondent are entering into this Stipulation and Consent Order to settle a dispute between them and both agree that this Stipulation and Consent Order does not constitute an adjudication of a violation of statute or regulation.

20. Respondent hereby waives its statutory right to notice and a hearing before the Commissioner of the Department, or his designated appointee.

21. Respondent acknowledges and agrees that this stipulation is entered into freely and voluntarily and that except as set forth herein, no promise was made to induce the Respondent to enter into it. Respondent acknowledges its understanding of and agrees to all terms, conditions, and obligations contained in this Stipulation and Consent Order.

22. The terms set forth in this Stipulation and Consent Order represent the complete agreement between the parties as to its subject matter.

23. The undersigned representative of Respondent affirms that he or she has taken all necessary steps to obtain the authority to bind Respondent to the obligations stated herein and has the authority to bind Respondent to the obligations stated herein.

DOXO, INC.

By:

T. I. Kedar

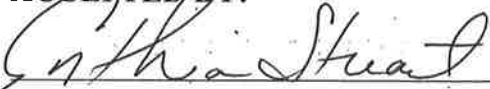
Date:

7/17/2017

Print name & Title:

TAL KEDAR, VP Finance

ACCEPTED BY:



7.18.17

Cynthia Stuart, Deputy Commissioner
Banking Division, Vermont Department of Financial Regulation

Date

CONSENT ORDER

1. The stipulated facts, terms, and provisions of the Stipulation are incorporated by reference herein.
2. Jurisdiction in this matter is established pursuant to Chapters 1 and 79 of Title 8.
3. Pursuant to the Stipulation, Respondents consent to the entry of this Consent Order.
4. Respondent shall comply with all agreements, stipulations, and undertakings as recited above.

Dated at Montpelier, Vermont this 18th day of July 2017.



Michael S. Pieciak, Commissioner
Vermont Department of Financial Regulation