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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

In the Matter of:

PLUTUS FINANCIAL, INC.,
ABRA TRADING, LLC,
PLUTUS FINANCIAL HOLDINGS, INC.,
PLUTUS LENDING, LLC, and
WILLIAM JOHN BARHYDT.

Respondents.

No.: C-23-3554-23-CO02

MULTISTATE SETTLEMENT
CONSENT ORDER

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WHEREAS state money transmitter regulators, as part of a multistate Money Transmitter Regulators Association Working Group, including regulators from the states of Arkansas, Connecticut, Georgia, Ohio, Oregon, Texas, Washington, and Vermont (the MTRA Working Group) conducted a multistate investigation into whether Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt engaged in unlicensed money transmission as set forth herein to customers residing in the United States.

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WHEREAS on or about June 26, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt executed a Term Sheet with the MTRA Working Group to enter into consent orders to resolve the multistate investigation within 15 days of executing the Term Sheet.

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NOW THEREFORE, the Director of the Washington State Department of Financial Institutions (Director), through his designee Ali Higgs, Division of Consumer Services Director, and Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and

1 William John Barhydt, and finding that the issues raised in the multistate investigation and the above-
2 captioned matter, may be economically and efficiently settled, agree to the entry of this Consent
3 Order. This Consent Order is entered pursuant to chapter 19.230 RCW (Revised Code of
4 Washington), the Uniform Money Services Act, and RCW 34.05.060 of the Administrative
5 Procedure Act, based upon the following:

6 FINDINGS OF FACT

7 **1.1 Plutus Financial, Inc.** is a Delaware corporation formed in 2014. Plutus Financial Inc. has
8 never been licensed as a money transmitter or currency exchanger by the Washington State
9 Department of Financial Institutions' Division of Consumer Services (Department).

10 **1.2 Abra Trading, LLC** is a Delaware limited liability company formed in 2022. Abra Trading,
11 LLC has never been licensed as a money transmitter or currency exchanger by the Department.

12 **1.3 Plutus Financial Holdings, Inc.** is a Delaware corporation formed in 2022. Plutus Financial
13 Holdings, Inc. has never been licensed as a money transmitter or currency exchanger by the
14 Department.

15 **1.4 Plutus Lending, LLC** is a Delaware limited liability company formed in 2020. Plutus
16 Lending, LLC has never been licensed as a money transmitter or currency exchanger by the
17 Department.

18 **1.5** Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus
19 Lending, LLC, were in the business of providing customers with a digital platform that enabled their
20 customers to buy, sell, borrow, trade, and hold virtual assets. Plutus Financial, Inc., Abra Trading,
21 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC, operated a mobile phone
22 application that enabled U.S. customers to create an Abra Trade Account (U.S. Trade Customers) in
23 order to conduct these financial transactions.

1 **1.6 William John Barhydt** is the largest owner of the equity ownership interests of Plutus
2 Financial Holdings, Inc., its direct subsidiaries Plutus Financial, Inc., Abra Trading, LLC, Abra
3 Boost, LLC, and its indirect subsidiary Plutus Lending, LLC. Further, William John Barhydt is the
4 Chief Executive Officer of Plutus Financial, Inc., and directly or indirectly controls Plutus Financial,
5 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC.

6 William John Barhydt is responsible for defining the strategy and the day-to-day operations of
7 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC
8 to include (i) the decision to utilize Digital Capital Solutions Limited and Plutus Technologies
9 Philippines Corporation in connection with the money transmission products and services of Plutus
10 Financial, Inc., Plutus Financial Holdings, Inc., and Plutus Lending, LLC, and (ii) the decision to
11 allow Abra Trading, LLC to hold itself out as providing money transmission services.

12 **1.7 Digital Capital Solutions Limited** is a British Virgin Islands entity that assisted Plutus
13 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC in its
14 provision of money transmission products and services to U.S. Trade Customers from at least January
15 2023 to June 2023. Digital Capital Solutions Limited has never been licensed as a money transmitter
16 or currency exchanger by the Department.

17 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,
18 LLC, and William John Barhydt represented to the MTRA Working Group that Plutus Financial,
19 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John
20 Barhydt exercise no control over Digital Capital Solutions Limited and are unable to waive service on
21 behalf of Digital Capital Solutions Limited. Thus, Digital Capital Solutions Limited is not named as
22 a Respondent in this matter.

23 **1.8 Plutus Technologies Philippines Corporation** is a Philippines Corporation, and partially
24 owned subsidiary of Plutus Financial, Inc., that assisted Plutus Financial, Inc., Plutus Financial

1 Holdings, Inc., and Plutus Lending, LLC in its provision of money transmission products and
2 services to U.S. Trade Customers. Plutus Technologies Philippines Corporation has never been
3 licensed as a money transmitter or currency exchanger by the Department.

4 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,
5 LLC, and William John Barhydt represented to the MTRA Working Group that because Plutus
6 Technologies Philippines Corporation is a partially-owned subsidiary, they are unable to waive
7 service on behalf of Plutus Technologies Philippines Corporation. Thus, Plutus Technologies
8 Philippines Corporation is not a named Respondent in this matter.

9 **1.9 Abra Boost, LLC** is a Delaware limited liability company formed in 2022. Abra Boost,
10 LLC has never been licensed as a money transmitter or currency exchanger by the Department.
11 Abra Boost, LLC offered a securities product in reliance on an exemption from registration under
12 the Securities Act of 1933 (Boost Securities), which Abra Boost, LLC represented made the product
13 exempt from state securities registration requirements. Boost Securities launched in November 2022
14 and wound down in June 2023. With respect to Boost Securities, all purchase funds and accrued
15 interest, which were denominated in virtual assets, were redeemed. The redeemed virtual assets
16 were credited to Abra Trade Accounts and made available for withdrawal by U.S. Trade Customers
17 as of August 1, 2023.

18 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending,
19 LLC, and William John Barhydt objected to the inclusion of Abra Boost in this matter based upon
20 their representation that Boost Securities are securities products that do not involve money
21 transmission. Thus, in order to resolve the multistate investigation, Abra Boost is not a named
22 Respondent in this matter.

1 **1.10** From at least March of 2021 until June of 2023, Plutus Financial, Inc., and Plutus Lending,
2 LLC engaged in the business of receiving money or its equivalent value to transmit, deliver, or
3 instruct to be delivered money or its equivalent value to another location, or at least advertised,
4 solicited, or held themselves out as providing those services via their products Abra Trade, Abra
5 Earn, and Abra Wallets.

6 **1.11** From at least June of 2022 to June of 2023, Abra Trading, LLC held itself out as providing
7 money transmission services.

8 **1.12** In approximately July 2021, Plutus Technologies Philippines Corporation signed an
9 agreement with Fireblocks. Pursuant to this agreement, beginning in January 2023, some U.S. Trade
10 Customer virtual assets in Abra Trade Accounts were held in Fireblocks Vaults, where they remain
11 available for withdrawal as of the date of this Consent Order.

12 **1.13** From at least January 2023 to June 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus
13 Financial Holdings, Inc., and Plutus Lending, LLC also held U.S. Trade Customer virtual assets with
14 Digital Capital Solutions Limited, which resulted in U.S. Trade Customer virtual assets in Abra Trade
15 Accounts actually being held on Binance.com, an unlicensed foreign exchange.

16 **1.14** On or about May 24, 2023, Plutus Financial, Inc. and Abra Trading, LLC provided a
17 breakdown of U.S. Trade Customer virtual assets held by Plutus Financial, Inc., Abra Trading, LLC,
18 Plutus Financial Holdings, Inc., and Plutus Lending, LLC including customer level data, for
19 Washington customers.

20 **1.15** On or about June 7, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
21 Holdings, Inc., and Plutus Lending, LLC identified for the MTRA Working Group all entities
22 involved in their money transmission flow of funds, including all entities necessary for processing
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1 withdrawals or executing other transactions or transfers in order to facilitate the return of virtual
2 assets to U.S. Trade Customers of Washington.

3 **1.16** On or about June 14, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
4 Holdings, Inc., and Plutus Lending, LLC, issued an announcement that Plutus Financial, Inc., Abra
5 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC would phase out any
6 products and services offered to U.S. Trade Customers in a gradual and orderly fashion.

7 **1.17** On or about June 15, 2023, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
8 Holdings, Inc., and Plutus Lending, LLC ceased accepting U.S. Trade Customer virtual asset
9 allocations into their money transmission products and services, and ceased making the buying,
10 selling, or trading of cryptocurrencies available to U.S. Trade Customers in Washington.

11 **1.18** On or about June 26, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
12 Holdings, Inc., and Plutus Lending, LLC posted separate clear and conspicuous notifications that
13 U.S. Trade Customers should withdraw all virtual assets held by Plutus Financial, Inc., Abra Trading,
14 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC prior to July 31, 2024, on their
15 mobile application, website, and all social media platforms on which they are active.

16 **1.19** On or about June 26, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
17 Holdings, Inc., and Plutus Lending, LLC confirmed and ratified the announcement of June 14, 2023,
18 to phase out any money transmission products and services offered to U.S. Trade Customers in a
19 gradual and orderly fashion, with all necessary amendments for consistency with the executed Term
20 Sheet.

21 **1.20** On or about June 26, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
22 Holdings, Inc., and Plutus Lending, LLC attested, under penalty of perjury, that as of June 26, 2024,
23 they held virtual assets on behalf of U.S. Trade Customers sufficient to facilitate and fulfill

1 withdrawals of all such virtual assets belonging to all such U.S. Trade Customers residing in
2 Washington.

3 **1.21** On or about June 26, 2024, William John Barhydt attested, under penalty of perjury, that as of
4 June 26, 2024, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus
5 Lending, LLC held virtual assets on behalf of Abra Trade’s U.S. Trade Customers sufficient to
6 facilitate and fulfill withdrawals of all such virtual assets belonging to such U.S. Trade Customers
7 who are residents of Washington. William John Barhydt further attested that he will assume personal
8 liability for the return of all such Abra Trade U.S. Trade Customer virtual assets if Plutus Financial,
9 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC do not process
10 and fulfill withdrawals of all such virtual assets belonging to all such U.S. Trade Customers residing
11 in Washington.

12 **CONCLUSIONS OF LAW**

13 **2.1** Based upon the above Findings of Fact, Plutus Financial, Inc., Plutus Financial Holdings, Inc.,
14 and Plutus Lending, LLC offered and provided Abra Trade Accounts, Abra Earn Accounts, Abra
15 Wallets, and related products and services to residents of Washington without a license issued by the
16 Department in violation of RCW 19.230.030.

17 **2.2** Based upon the above Findings of Fact, Abra Trading, LLC held itself out as providing money
18 transmission services to residents of Washington without a license issued by the Department in
19 violation of RCW 19.230.030.

20 **2.3** Based upon the above Findings of Fact, William John Barhydt, Plutus Financial Holdings, Inc.,
21 and Plutus Lending, LLC violated RCW 19.230.340(2) by controlling, aiding, or otherwise facilitating
22 Plutus Financial, Inc.’s engagement in the business of money transmission without a license in violation
23 of RCW 19.230.030.

1 **2.4** Based upon the above Findings of Fact, William John Barhydt, Plutus Financial Holdings, Inc.,
2 and Plutus Lending, LLC violated RCW 19.230.340(2) by controlling, aiding, or otherwise facilitating
3 Abra Trading, LLC's holding itself out as providing money transmission services when it was not
4 licensed to do so in violation of RCW 19.230.030.

5 **AGREEMENT AND ORDER**

6 The Department and Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
7 Inc., Plutus Lending, LLC, and William John Barhydt have agreed upon a basis for resolution of the
8 Finding of Facts and Conclusions of Law in this Consent Order. Pursuant to chapter 19.230 RCW,
9 the Uniform Money Services Act, and RCW 34.05.060 of the Administrative Procedure Act, Plutus
10 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
11 William John Barhydt hereby agree to the Department's entry of this Consent Order and further agree
12 this Consent Order constitutes a full and final resolution of the MTRA Working Group investigation
13 and Statement of Charges No. C-23-3554-23-SC01 as it relates to unlicensed money transmission by
14 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
15 William John Barhydt. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc.,
16 Plutus Lending, LLC, and William John Barhydt neither admit nor deny the Findings of Fact and
17 Conclusions of Law identified in this Consent Order.

18 Based upon the foregoing:

19 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
20 of the activities discussed herein.

21 **B. Waiver of Hearing.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC,
22 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt hereby waive any
23 right they may have to a hearing and any and all administrative and judicial review of the issues
24 raised in the MTRA Working Group investigation, Statement of Charges No. C-23-3554-SC01, or

1 the resolution reached herein. It is FURTHER AGREED that Plutus Financial, Inc. and William
2 John Barhydt have been informed of the right to a hearing before an administrative law judge in
3 matter C-23-3554-SC01, and hereby waive their right to a hearing and any and all administrative and
4 judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly,
5 Plutus Financial, Inc. and William John Barhydt, by their signatures or the signatures of their
6 representatives below, withdraw their appeal to the Office of Administrative Hearings.

7 **C. Ceasing Operations.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra
8 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall not accept new U.S.
9 Trade Customer virtual asset allocations. This does not prevent Plutus Financial, Inc., Abra Trading,
10 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC from allowing U.S. Trade Customers
11 to withdraw their virtual assets from Abra Trade Accounts maintained by Plutus Financial, Inc., Abra
12 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, Plutus Technologies
13 Philippines Corporation, or Digital Capital Solutions Limited.

14 **D. No Future Activity with Unlicensed Entities.** It is AGREED and ORDERED that
15 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
16 William John Barhydt shall not engage directly or indirectly with Plutus Technologies Philippines
17 Corporation or Digital Capital Solutions Limited in order to facilitate or provide money transmission
18 products or services to customers in Washington or with respect to U.S. Trade Customer virtual
19 assets, except to the limited extent necessary to complete processing withdrawal requests from U.S.
20 Trade Customers.

21 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc., Abra Trading,
22 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt shall not
23 engage directly or indirectly with any entity that is unlicensed or not properly licensed in order to

1 facilitate or provide money transmission products or services to customers of Washington or with
2 respect to U.S. Trade Customer virtual assets.

3 **E. Money Transmitter License Required.** It is AGREED and ORDERED that Plutus
4 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall
5 not perform money transmission or hold themselves out as a money transmitter or money service
6 business in Washington, without first obtaining a money transmitter license in accordance with the
7 Act or qualifying for an exclusion from licensing as delineated in the Act. It is FURTHER AGREED
8 this provision does not prohibit Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
9 Inc., Plutus Lending, LLC, and William John Barhydt from returning U.S. Trade Customer virtual
10 assets consistent with Paragraphs L and M of this Consent Order.

11 **F. No Control - Passive Investor Only.** It is AGREED, that William John Barhydt will not
12 participate in any capacity in the conduct of the affairs of any money transmitter or money service
13 business licensed by Washington or subject to licensure or regulation by Washington for a period of
14 five years from June 26, 2024. This includes acting as a director, manager, owner, supervisor,
15 control person, or qualified individual of any entity acting directly as a money transmitter or money
16 service business in Washington or acting indirectly in such capacity through a third-party entity.
17 William John Barhydt may participate as a “passive investor,” who does not otherwise exercise
18 control of an entity duly licensed as a money transmitter or money service business in Washington.

19 It is FURTHER AGREED that if William John Barhydt acts as a “passive investor,” he
20 shall not have the power to elect a majority of key individuals or executive officers, managers,
21 directors, trustees, or other persons exercising managerial authority of a person in control of a
22 licensee; shall not be employed by and does not have any managerial duties of the licensee or person

1 in control of a licensee; and shall not have the power to exercise, directly or indirectly, a controlling
2 influence over the management or policies of a licensee or person in control of a licensee.

3 It is FURTHER AGREED that if after the five-year period, William John Barhydt or any
4 entity for which he acts as an officer or control person applies for licensure, approval of William John
5 Barhydt's application or participation in such entity's activities will be subject to any and all
6 licensing requirements of Washington in effect at that time. It is FURTHER AGREED and
7 ORDERED that William John Barhydt shall ensure that any entity he controls or as to which he is a
8 principal that engages, in any capacity, in the conduct of the affairs of any money transmitter or
9 money service business must be duly licensed in each jurisdiction in which it operates.

10 It is further AGREED and ORDERED that if William John Barhydt does not comply with
11 the agreed upon terms set forth in this Paragraph F, it shall constitute a violation of this Consent
12 Order.

13 **G. No Control – Effect of Paragraph F.** It is AGREED that Paragraph F is not intended to
14 form the basis for William John Barhydt's disqualification from registration as a broker-dealer,
15 securities salesperson, investment adviser, investment adviser representative, or issuer under the laws,
16 rules, and regulations of Washington or any other jurisdiction or self-regulatory organization, or to
17 disqualify William John Barhydt from relying upon the securities registration exemptions or safe
18 harbor provisions for which William John Barhydt may qualify under the laws, rules and regulations
19 of Washington or any other jurisdiction or self-regulatory organization.

20 **H. Wallet Addresses.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra
21 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt shall
22 continue to make all wallet addresses holding U.S. Trade Customer virtual assets available to
23 Washington until all virtual assets are returned pursuant to Paragraphs L and M.

1 **I. Updated Terms of Service.** It is AGREED and ACKNOWLEDGED that legal title to all
2 virtual assets in U.S. Trade Customer Accounts, held and maintained by Plutus Financial, Inc., Abra
3 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC belong to the U.S. Trade
4 Customer. It is FURTHER AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading,
5 LLC shall amend and update its terms of service, and any other terms or conditions of Plutus
6 Financial, Inc. and Abra Trading, LLC’s relationship with U.S. Trade Customers of Washington to
7 reflect:

- 8 1. Title to a U.S. Trade Customer’s virtual assets belong to the U.S. Trade Customer.
- 9 2. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
10 Lending, LLC, and Plutus Technologies Philippines Corporation hold virtual assets for
11 U.S. Trade Customers in custody only.
- 12 3. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
13 Lending, LLC, and Plutus Technologies Philippines Corporation have and will keep U.S.
14 Trade Customers’ virtual assets segregated and will not commingle, use, pledge,
15 rehypothecate, or lend U.S. Trade Customer virtual assets.
- 16 4. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
17 Lending, LLC, and Plutus Technologies Philippines Corporation will return U.S. Trade
18 Customers’ virtual assets in accordance with Paragraphs L and M of this Consent Order.

19 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading, LLC
20 shall execute the above changes consistent with the language above and shall provide a copy of the
21 updated terms of service to the Department by June 28, 2024.

22 **J. Notice to Customers.** It is AGREED and ORDERED that Plutus Financial, Inc.,
23 Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall send a written

1 communication, by no later than July 5, 2024, to all U.S. Trade Customers stating that they should
2 withdraw all virtual assets held by Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
3 Holdings, Inc., and Plutus Lending, LLC prior to July 31, 2024.

4 **K. Return of Customer Assets – Applicability of Securities Orders.** It is AGREED and
5 ORDERED that U.S. Trade Customer virtual assets, or U.S. Trade Customer virtual assets converted
6 to fiat (converted assets) transitioned by Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
7 Holdings, Inc., and Plutus Lending, LLC pursuant to any agreement or order entered with the
8 Washington State Department of Financial Institutions’ Securities Division (Securities Division) are
9 subject to the terms of this Consent Order.

10 **L. Return of Customer Assets – Procedure.** It is AGREED and ORDERED that Plutus
11 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall
12 utilize the procedure described below to return U.S. Trade Customer virtual assets that are (a)
13 maintained in Fireblocks Vaults on behalf of U.S. Trade Customers or otherwise under the control of
14 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC,
15 Plutus Technologies Philippines Corporation, or Digital Capital Solutions Limited and (b) owned by
16 U.S. Trade Customers residing in Washington.

17 It is AGREED and ORDERED that Plutus Financial, Inc. and Abra Trading, LLC shall convert
18 the outstanding virtual assets owned by U.S. Trade Customers identified in Attachment A to fiat, and
19 Plutus Financial, Inc. and Abra Trading, LLC shall send a cashier’s check or other secure bank
20 instrument to the last known mailing address of the U.S. Trade Customer. Prior to mailing, Plutus
21 Financial, Inc. and Abra Trading, LLC will employ reasonable measures to verify the accuracy of the
22 U.S. Trade Customer’s last known mailing address. Checks will be sent by August 1, 2024, and shall
23 be valid for no less than 60 days.

1 It is FURTHER AGREED that Plutus Financial, Inc. and Abra Trading, LLC shall not be
2 responsible for any claims resulting from loss of value due to the conversion to fiat so long as Plutus
3 Financial, Inc. and Abra Trading, LLC employ reasonable industry accepted procedures for purposes
4 of the conversion. Except as set forth below, Plutus Financial, Inc. and Abra Trading, LLC shall not
5 be responsible for nondelivered checks.

6 It is FURTHER AGREED and ORDERED that in the event nondelivered checks are returned
7 to Plutus Financial, Inc. and Abra Trading, LLC or remain uncashed after 90 days, Plutus Financial,
8 Inc. and Abra Trading, LLC shall take the appropriate steps to identify U.S. Trade Customers, amounts
9 owed/owned, and other necessary data, and remit the converted assets to Washington's unclaimed
10 property fund in accordance with the unclaimed property laws of Washington. The Department, Plutus
11 Financial, Inc. and Abra Trading, LLC acknowledge and agree that Washington's unclaimed property
12 agency's rules and requirements may require the converted assets to be held for a longer statutory
13 period in order for the outstanding U.S. Trade Customer converted assets to be considered dormant.

14 **M. Return of Customer Assets – Conflicting Orders.** It is AGREED and ORDERED
15 that in the event that the Securities Division has entered into a Term Sheet or Consent Order (a “Prior
16 Securities Agreement”) that requires Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
17 Holdings, Inc., Plutus Lending, LLC, and/or William John Barhydt to return U.S. Trade Customer
18 virtual assets held in Abra Trade Accounts, in a manner that is inconsistent with the procedure elected
19 by the Department in Paragraph L of this Consent Order, Plutus Financial, Inc., Abra Trading, LLC,
20 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt shall:

- 21 1. Return all U.S. Trade Customer virtual asset balances consistent with the Prior
22 Securities Agreement entered into with the Securities Division; and
- 23 2. Return all remaining U.S. Trade Customer virtual assets, one cent and above, in the
24 manner elected by the Department pursuant to Paragraph L. The Department may

1 consider the procedure elected in the Prior Securities Agreement. However, the
2 Department is not bound by the procedure elected in the Prior Securities Agreement,
and may use the procedure elected in Paragraph L.

3 It is FURTHER AGREED and ORDERED that in the event that the Securities Division enters
4 into a Prior Securities Agreement that requires Plutus Financial, Inc., Abra Trading, LLC, Plutus
5 Financial Holdings, Inc., Plutus Lending, LLC, and/or William John Barhydt to return U.S. Trade
6 Customer virtual assets held in Abra Trade Accounts prior to June 26, 2024, in a manner that is only
7 inconsistent regarding the threshold for the amount to be returned, Plutus Financial, Inc., Abra
8 Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt shall
9 return all remaining U.S. Trade Customer virtual assets according to the procedure elected in
10 Paragraph L.

11 **N. Return of Customer Assets – Reporting.** It is AGREED and ORDERED that Plutus
12 Financial, Inc. and Abra Trading, LLC shall continue to provide the Department a breakdown of U.S.
13 Trade Customer virtual assets and converted assets held by Plutus Financial, Inc., Abra Trading,
14 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC, to include customer level data on
15 July 31, 2024, August 31, 2024, and September 30, 2024 and quarterly thereafter until Plutus
16 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending LLC are no
17 longer holding virtual assets or converted assets on behalf of U.S. Trade Customers residing in
18 Washington. It is FURTHER AGREED and ORDERED that this term shall be deemed fulfilled
19 upon completion of the process elected pursuant to Paragraphs L and M of this Consent Order.

20 **O. Return of Customer Assets – No New Entities.** It is AGREED and ORDERED that
21 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
22 William John Barhydt shall not engage any entity not previously identified in the process of returning
23 virtual assets to U.S. Trade Customers.

1 **P. Return of Customer Assets – Sufficient Funds Attestation.** It is AGREED and
2 ORDERED the signed attestation of Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
3 Holdings, Inc., Plutus Lending, LLC, and William John Barhydt stating Plutus Financial, Inc., Abra
4 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC hold virtual assets on behalf
5 of U.S. Trade Customers sufficient to facilitate and fulfill withdrawals of all such virtual assets
6 belonging to all such U.S. Trade Customers residing in Washington, Attachment B, is incorporated as
7 part of this Consent Order. It is FURTHER AGREED and ORDERED that it is a violation of this
8 Consent Order, if it is determined that any part of the attestation, at the time the attestation was
9 executed, was false.

10 **Q. Return of Virtual Assets – Personal Guarantee.** It is AGREED and ORDERED that
11 William John Barhydt shall personally and unconditionally guarantee that Plutus Financial, Inc., Abra
12 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC have the ability to facilitate
13 and fulfill withdrawals of all U.S. Trade Customer virtual assets. It is FURTHER AGREED and
14 ORDERED that if Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., and
15 Plutus Lending, LLC do not fulfill withdrawals of all U.S. Trade Customer virtual assets, William
16 John Barhydt shall be personally liable for the return of all U.S. Trade Customer virtual assets
17 withdrawals not fulfilled. It is FURTHER AGREED and ORDERED that this term shall be deemed
18 fulfilled upon completion of the process elected pursuant to Paragraphs L and M of this Consent
19 Order.

20 **R. Public Statements – Factual Basis.** It is AGREED and ORDERED that Plutus
21 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
22 William John Barhydt shall not take any action or make or permit to be made any public statement,
23 including in regulatory filings, any proceeding in any forum or otherwise, denying, directly or

1 indirectly, any allegation referenced in this Consent Order or create the impression that the Consent
2 Order is without factual basis. It is FURTHER AGREED and ORDERED that except as specifically
3 provided herein, Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
4 Lending, LLC, and William John Barhydt shall not take any position in any proceeding brought by or
5 on behalf of the Department, or to which the Department is a party, that is inconsistent with any part
6 of this Consent Order. It is FURTHER AGREED that nothing in this provision affects Plutus
7 Financial, Inc.'s, Abra Trading, LLC's, Plutus Financial Holdings, Inc.'s, Plutus Lending, LLC's, and
8 William John Barhydt's (i) testimonial obligations, or (ii) right to take legal or factual positions that
9 may contradict an allegation in the Consent Order in litigation or other legal proceedings in which the
10 Department is not a party.

11 **S. Customer Identification Procedures and Policy.** It is AGREED and ORDERED that
12 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
13 William John Barhydt shall implement and maintain adequate identification verification procedures
14 and policies to ensure that it does not provide money transmission products or services to customers
15 of Washington unless and until such time Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
16 Holdings, Inc., Plutus Lending LLC, or William John Barhydt are appropriately licensed to offer such
17 money transmission products or services to customers of Washington.

18 It is FURTHER AGREED and ORDERED that Plutus Financial, Inc., Abra Trading,
19 LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC shall clearly and conspicuously state
20 on their mobile application and website, or any third-party services that Plutus Financial, Inc., Abra
21 Trading, LLC, Plutus Financial Holdings, Inc., and Plutus Lending, LLC do not provide money
22 transmission products and services to customers of Washington.

1 **T. Fine.** It is AGREED and ORDERED that Plutus Financial, Inc., Abra Trading, LLC,
2 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt shall jointly and
3 severally pay a fine to the Department in the amount of \$250,000. It is FURTHER AGREED that
4 \$250,000 of the fine is stayed (Stayed Fine) for five years subject to full compliance by Plutus
5 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
6 William John Barhydt with this Consent Order.

7 It is FURTHER AGREED that the stay may be lifted and the Stayed Fine imposed in
8 accordance with the terms stated in Paragraph U. Absent any action by the Department to lift the
9 Stayed Fine pursuant to Paragraph U, Plutus Financial, Inc.’s, Abra Trading, LLC’s, Plutus Financial
10 Holdings, Inc.’s, Plutus Lending, LLC’s, and William John Barhydt’s obligation to pay the Stayed
11 Fine shall be vacated five years from the date of entry of this Consent Order without further action or
12 notice by the Department.

13 **U. Lifting of Stay and Imposing Stayed Fine.** It is AGREED that:

- 14 1. If the Department determines that Plutus Financial, Inc., Abra Trading,
15 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, or William
16 John Barhydt have not complied with the terms of this Consent Order,
17 and the Department accordingly seeks to lift the stay and impose the
18 Stayed Fine set forth in Paragraph T above, the Department will first
19 notify Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
20 Holdings, Inc., Plutus Lending, LLC, or William John Barhydt in writing
21 of its determination.
- 22 2. The Department’s notification will include:
- 23 a) A description of the alleged noncompliance;
- 24 b) A statement that because of the noncompliance, the Department
seeks to lift the stay and impose the Stayed Fine;
- c) The opportunity for Plutus Financial, Inc., Abra Trading, LLC,
Plutus Financial Holdings, Inc., Plutus Lending, LLC, or William
John Barhydt to contest the Department’s determination of

1 noncompliance in an administrative hearing before an
2 Administrative Law Judge (ALJ) of the Office of Administrative
Hearings (OAH); and

3 d) A copy of this Consent Order. The notification and hearing
4 process provided in this Consent Order applies only to this
5 Consent Order. It is solely provided in the event Plutus Financial,
6 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
7 Lending, LLC, or William John Barhydt choose to contest the
8 Department's determination of noncompliance.

9 3. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
10 Inc., Plutus Lending, LLC, or William John Barhydt shall be afforded 20
11 business days from the date of receipt of the Department's notification to
12 submit a written request to the Department for an administrative hearing
13 to be held before an ALJ from the OAH.

14 4. Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
15 Inc., Plutus Lending, LLC, or William John Barhydt, in addition to a
16 request for hearing, may provide a written response to include any
17 information pertaining to the alleged noncompliance.

18 5. The scope and issues of the hearing are limited solely to whether or not
19 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
20 Inc., Plutus Lending, LLC, or William John Barhydt are in violation of
21 the terms of this Consent Order.

22 6. At the conclusion of the hearing, the ALJ will issue an initial decision.
23 Either party may file a Petition for Review with the Director of the
24 Department.

7. If Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings,
Inc., Plutus Lending, LLC, or William John Barhydt do not request the
hearing within the stated time, the Department will impose the Stayed
Fine and pursue whatever action it deems necessary to enforce the Stayed
Fine.

V. Limited Use – Liability, Defenses and Private Rights of Action. It is AGREED that
this Consent Order is not intended to be used for any other purpose or to resolve any claims under
any other state or federal law. Other than the obligations and provisions set forth herein, this
agreement does not limit or create liability for Plutus Financial, Inc., Abra Trading, LLC, Plutus

1 Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt, nor limit or create
2 defenses for Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus
3 Lending, LLC, and William John Barhydt to any claims. It is FURTHER AGREED that this Consent
4 Order does not give rise to or limit any private rights of action.

5 **W. Applicability.** It is AGREED that this Consent Order is entered into solely for the
6 purpose of resolving the above referenced multistate investigation with respect to unlicensed money
7 transmission activity committed by Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial
8 Holdings, Inc., Plutus Lending, LLC, and William John Barhydt between March 2021 to June of
9 2023 only. It is FURTHER AGREED that this Consent Order does not extend to any potential
10 unlicensed money transmission activity of Abra Boost, Plutus Technologies Philippines Corporation,
11 and Digital Capital Solutions Limited. It is FURTHER AGREED that this Consent Order does not
12 extend to any ongoing or future money transmission activities, except for money transmission
13 activity undertaken in accordance with Paragraphs L and M of this Consent Order.

14 **X. Other Investigations.** It is AGREED that this Consent Order shall constitute a full and
15 final resolution of the MTRA Working Group investigation and Statement of Charges C-23-3445-23-
16 SC01. It is FURTHER AGREED that the Department will not file any other enforcement action
17 arising out of the same facts and circumstances that were the subject of the investigations described
18 herein as it relates to Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc.,
19 Plutus Lending, LLC, and William John Barhydt. It is FURTHER AGREED that this provision in no
20 way limits the Department's authority to file any other enforcement action in the event Plutus
21 Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
22 William John Barhydt do not comply with all terms of this Consent Order.

1 **Y. Change of Contact Information.** It is AGREED and ORDERED that for the duration of
2 the period this Consent Order is in effect, unless otherwise agreed to in writing by the Department,
3 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
4 William John Barhydt shall provide the Department with a mailing address, telephone number, and e-
5 mail address at which they can be contacted. It is FURTHER AGREED that Plutus Financial, Inc.,
6 Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt
7 shall notify the Department in writing of any changes to their mailing address or telephone number
8 within 15 days of any such change.

9 **Z. Non-Compliance with Order.** It is AGREED that Plutus Financial, Inc., Abra Trading,
10 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt understand
11 that failure to abide by the terms and conditions of this Consent Order may result in further legal
12 action by the Department. In the event of such legal action, Plutus Financial, Inc., Abra Trading,
13 LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt may be
14 responsible to reimburse the Department for the cost incurred in pursuing such action, including but
15 not limited to, attorney fees.

16 **AA. Voluntarily Entered.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC,
17 Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt have voluntarily
18 entered into this Consent Order, which is effective when signed by the Department's designee.

19 **BB. Binding Agreement.** It is AGREED that this Consent Order shall be binding upon
20 Plutus Financial, Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and
21 William John Barhydt and their successors and assigns.

1 **CC. Reporting.** It is AGREED that Plutus Financial, Inc., Abra Trading, LLC, Plutus
2 Financial Holdings, Inc., Plutus Lending, LLC, and William John Barhydt acknowledge that this
3 Consent Order is a public record and is a reportable event for the purposes of NMLS, as applicable.

4 **DD. Completely Read, Understood, and Agreed.** It is AGREED that Plutus Financial,
5 Inc., Abra Trading, LLC, Plutus Financial Holdings, Inc., Plutus Lending, LLC, and William John
6 Barhydt have read this Consent Order in its entirety and fully understand and agree to all of the same.

7 **EE. Authority to Execute Order.** It is AGREED that the undersigned have represented
8 and warranted that they have the full power and right to execute this Consent Order on behalf of the
9 parties represented.

10 **FF. Counterparts.** This Consent Order may be executed in any number of counterparts,
11 including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed to be an
12 original, but all of which, taken together, shall constitute one and the same Consent Order.

13 **RESPONDENTS:**

14 By:

15 
16 _____
17 William John Barhydt
18 Owner/Control Person for Plutus Financial, Inc.

June 26, 2024

Date

19 
20 _____
21 William John Barhydt
22 Owner/Control Person for Abra Trading, LLC

June 26, 2024

Date

23 
24 _____
25 William John Barhydt
26 Owner/Control Person for Plutus Financial Holdings, Inc.

June 26, 2024

Date

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William John Barhydt
Owner/Control Person for Plutus Lending, LLC

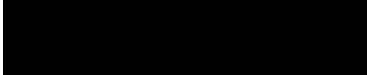
June 26, 2024
Date


William John Barhydt
Individually

June 26, 2024
Date


Gregory Strong
Cahill Gordon & Reindel LLP
Attorney for Respondents

June 26, 2024
Date


Angela Angelovska-Wilson
CohenWilson LLP d/b/a DLx Law
Attorney for Respondents

June 26, 2024
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 26th DAY OF JUNE, 2024.

[Redacted Signature]

ALI HIGGS, Director
Division of Consumer Services
Department of Financial Institutions

[Redacted Signature]

[Redacted Signature]

AMANDA B. STARNES
Financial Legal Examiner

Reviewed by:

[Redacted Signature]

DREW STILLMAN
Financial Legal Examiner Supervisor

Approved by:

[Redacted Signature]

JAMES R. BRUSSELBACK
Acting Enforcement Chief

ATTACHMENT A

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CONSENT ORDER
C-23-3554-24-CO01
PLUTUS FINANCIAL, INC.,
ABRA TRADING, LLC,
PLUTUS FINANCIAL HOLDINGS, INC.,
PLUTUS LENDING, LLC., and
WILLIAM JOHN BARHYDT

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902.8703

updated 6/10/2024

State	Balance Remaining	Users with balance remaining
WA	\$116,000.78	706

ATTACHMENT B

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CONSENT ORDER
C-23-3554-24-CO01
PLUTUS FINANCIAL, INC.,
ABRA TRADING, LLC,
PLUTUS FINANCIAL HOLDINGS, INC.,
PLUTUS LENDING, LLC., and
WILLIAM JOHN BARHYDT

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902.8703

FOR STATE REGULATORS ONLY

WILLIAM JOHN BARHYDT

Signature:  _____

Title: NA _____

Printed Name: William Barhydt _____

Date: 06/25/2024 _____