

ORDER SUMMARY – Case Number: C-19-2764

Names: PurseIO, Inc.
Andrew Hosung Lee

Order Number: C-19-2764-22-CO01

Effective Date: 7/28/22

License Number: U/L
Or NMLS Identifier [U/L]

License Effect: N/A

Not Apply Until: N/A

Not Eligible Until: N/A

Prohibition/Ban Until: N/A

Investigation Costs	\$ N/A		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$ 5,000	Due Upon Delivery of Consent Order	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$ N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments: Respondents shall cease and desist engaging in the business of money transmission, or advertising, soliciting,

or holding themselves out as providing money transmission, in Washington State. Respondents agree that in order to

perform any money transmitter activity in Washington, Respondents must obtain a valid license issued by the director.

Respondents will not perform any money transmitter activity in Washington State until such time as Respondents obtain

a license in accordance with the Act or qualifies for an exemption from the Act.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

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

IN THE MATTER OF DETERMINING:
Whether there has been a violation of the
Uniform Money Services Act of Washington by:

No.: C-19-2764-22-CO01

CONSENT ORDER

PURSEIO, INC., and
ANDREW HOSUNG LEE, Chief Executive
Officer,

Respondents.

8
9
10
11
12
13
14

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Lucinda Fazio, Division of Consumer Services Director, and PurseIO, Inc. and Andrew Hosung Lee (Respondents), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to Revised Code of Washington (RCW) 19.230, the Uniform Money Services Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

15
16
17
18
19
20
21
22
23
24

FINDINGS OF FACT

1.1 Respondents.

A. **Respondent PurseIO, Inc. (Respondent PurseIO)** is a company that was doing business in Washington State during all times relevant to this Consent Order. Respondent PurseIO has never been licensed by the Washington State Department of Financial Institutions (Department) as a money transmitter.

B. **Respondent Andrew Hosung Lee (Respondent Lee)** is the Chief Executive Officer of Respondent PurseIO, Inc.

1 **1.2 Unlicensed Activity.** Since at least May 11, 2014, Respondents have provided a service that
2 facilitates virtual currency payments for goods purchased by third parties from Amazon.com,
3 including receiving, storing, holding, and maintaining custody of a consumer's virtual currency
4 payment in a wallet, and then transmitting the virtual currency payment to the appropriate party as
5 directed to complete a transaction. Respondents have engaged in the business of money
6 transmission, or advertised, solicited, or held themselves out as providing money transmission, for
7 consumers in Washington State.

8 **CONCLUSIONS OF LAW**

9 **2.1** Based on the above Findings of Fact, Respondents violated RCW 19.230.030 by engaging in
10 the business of money transmission in Washington State without first obtaining and maintaining a
11 license in accordance with the Act or meeting an exclusion from the Act under RCW 19.230.020 by
12 receiving, storing, holding, maintaining custody of, and transmitting virtual currency as directed
13 during consumers' transactions.

14 **AGREEMENT AND ORDER**

15 The Department and Respondents have agreed upon a basis for resolution of the Findings of
16 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 19.230.270 and
17 RCW 34.05.060, Respondents and the Department agree to the entry of this Consent Order and
18 further agree that the matters alleged herein may be economically and efficiently settled by entry of
19 this Consent Order.

20 Based on the foregoing:

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

23 **B. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
24 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all

1 administrative and judicial review of the issues raised in this matter, or of the resolution reached
2 herein.

3 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the
4 matters alleged herein and agree that Respondents neither admit nor deny any wrongdoing by its
5 entry.

6 **D. Agreement to Cease and Desist.** It is AGREED that Respondents shall cease and desist
7 engaging in the business of money transmission, or advertising, soliciting, or holding themselves out
8 as providing money transmission, in Washington State.

9 **E. Money Transmitter License Required.** It is AGREED that Respondents understand that
10 in order to perform any money transmitter activity in Washington State, Respondents must obtain a
11 valid license issued by the director pursuant to the Act or qualify for an exemption from the Act. It is
12 further AGREED that Respondents will not perform any money transmission activity in Washington
13 State until such time as Respondents obtain a license in accordance with the Act or qualifies for an
14 exemption from the Act.

15 **F. Application for License.** It is AGREED that, should Respondents apply to the
16 Department for any license under any name at any time, such applying Respondents shall be required
17 to meet any and all application requirements in effect at that time.

18 **G. Notice.** It is AGREED that Respondents shall permanently place a notice on their
19 website, in a reasonably prominent manner, stating they are not authorized to do business in
20 Washington State, until such date that Respondents obtain a valid license issued by the director
21 pursuant to the Act or qualifies for an exemption from the Act.

1 **H. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
2 \$5,000.00 in the form of a cashier's check made payable to the "Washington State Treasurer" upon
3 delivery of this Consent Order, properly dated and signed.

4 **I. Records Retention.** It is AGREED that Respondent PurseIO, its officers, employees, and
5 agents, shall maintain records in compliance with the Act and provide the Director with the location
6 of the books, records, and other information relating to Respondent PurseIO's money transmitter
7 business, and the name, address, and telephone number of the individual responsible for maintenance
8 of such records in compliance with the Act.

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

12 **K. Non-Compliance with Order.** It is AGREED that Respondents understand that failure to
13 abide by the terms and conditions of this Consent Order may result in further legal action by the
14 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
15 for the cost incurred in pursuing such action, including, but not limited to, attorney fees.

16 **L. Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily
17 entered into this Consent Order, which is effective when signed by the Director's designee.

18 **M. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
19 this Consent Order in its entirety and fully understand and agrees to all of the same.

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

1 **RESPONDENTS:**

2 PurseIO, Inc.
3 Andrew Hosung Lee

4 By:

5 /s/
6 Andrew Hosung Lee
7 Chief Executive Officer, PurseIO, Inc.

6/27/22

Date

8 /s/
9 Andrew Hosung Lee
10 Individually

6/27/22

Date

11 /s/
12 Jason P. Gottlieb
13 Morrison Cohen LLP
14 Attorney for Respondents

6/27/22

Date

15 DO NOT WRITE BELOW THIS LINE

16 THIS ORDER ENTERED THIS 28th DAY OF July, 2022.



23
24

/s/
LUCINDA FAZIO, Director
Division of Consumer Services
Department of Financial Institutions

1 Presented by:

Approved by:

2

3 /s/

/s/

KRISTINA M. SHENEFELT
Financial Legal Examiner

JACK McCLELLAN
Enforcement Chief

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24