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9
10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA
12

13 In the Matter of:)
)
14 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,)
15)
16 Complainant.)
)
17 v.)
)
18 CELSIUS LENDING LLC,)
)
19 Respondent.)
20)
21)

CONSENT ORDER

1 The Commissioner of Financial Protection and Innovation (Commissioner) and Celsius
2 Lending LLC (Celsius) (collectively the Parties) enter into this Consent Order (Consent Order) with
3 respect to the following facts:

4 **I.**

5 **Recitals**

6 A. The Commissioner is authorized to administer and enforce the provisions of the
7 California Financing Law (CFL) (Cal. Fin. Code §§ 22000-22780.1).¹

8 B. At all relevant times, Celsius Lending LLC (Celsius Lending) is and was a company
9 licensed as a finance lender and broker under the authority of the CFL beginning on August 3,
10 2021, CFL license number 60DBO-133776, with a business address of 221 River Street 9th Floor,
11 Hoboken, New Jersey 07030.

12 C. Celsius Lending offered consumer and commercial loans to the public, secured by
13 digital asset collateral.

14 D. On August 19, 2022, the Commissioner issued and served a Notice of Intention to
15 Issue Order Revoking CFL License, Order Conditioning Surrender of License, and Order to
16 Suspend All CFL Business Operations; an Accusation and Statement in Support; and accompanying
17 documents on Celsius Lending (collectively “the Action”).

18 E. On September 19, 2022, Celsius Lending timely submitted a Notice of Defense
19 requesting an administrative hearing on the Action.

20 F. Celsius Lending seeks to resolve the allegations in the Commissioner’s Action
21 without a hearing.

22 G. Celsius Lending admits to the jurisdiction of the Commissioner for the entry of this
23 Consent Order, and while Celsius Lending neither admits nor denies the findings of fact and
24 conclusions of law contained in the Action, Celsius Lending hereby consents to the entry of this
25 Consent Order and the Orders herein.

26 The Commissioner finds that entering into this Consent Order is in the public interest and
27 consistent with the purposes fairly intended by the policies and provisions of the CFL.

28 _____
¹ All citations herein are to the Financial Code unless otherwise noted.

1 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
2 forth herein, the Parties agree as follows:

3 **II.**

4 **Terms and Conditions**

5 1. Purpose. This Consent Order resolves the issues before the Commissioner in a
6 manner that avoids the expense of a hearing and other possible court proceedings, protects
7 consumers, is in the public interest, and is consistent with the purposes, policies and provisions of
8 the CFL.

9 2. Finality of Consent Order. Celsius Lending agrees to comply with this Consent Order
10 and stipulates this Consent Order and the Orders herein are deemed final.

11 3. Desist and Refrain Order. Pursuant to Financial Code § 22712(a), Celsius Lending is
12 hereby ordered to desist and refrain from the violations recited in the Action, including violations of
13 Financial Code sections 22100(a), 22112(a), 22161(a)(3), 22170(b), 22306, 22307(a), 22307(b),
14 22307.5, 22334(c), 22334(a), 22337(a), and 22337(b), and California Code of Regulations, title 10,
15 sections 1452, 1453, and 1454(a)(3) – (a)(6).

16 4. Payment of Exam Fee Invoice. The Parties acknowledge that the Commissioner
17 incurred \$17,750.00 in examination costs under Financial Code section 22707(a) and that such costs
18 were invoiced in DFPI invoice number STC-00002740. The Commissioner does not admit or deny
19 whether any or all of such examination costs were discharged in bankruptcy. Notwithstanding any
20 possible bankruptcy discharge of such costs, Celsius Lending agrees, pursuant to 11 U.S.C. § 524(f),
21 to voluntarily repay the costs of examination in the amount of \$17,750.00, and that such payment
22 shall be considered payment of the invoice. Celsius Lending agrees to remit payment within 30 days
23 of the Effective Date of this Consent Order.

24 5. Order Accepting Surrender of License. In lieu of ordering revocation of Celsius
25 Lending’s CFL license, the Commissioner orders acceptance of the surrender of Celsius Lending’s
26 CFL license with immediate effect, provided that the Commissioner may, notwithstanding the
27 surrender, deem Celsius Lending’s license to be revoked pursuant to Financial Code section 22714 if
28

1 Celsius Lending defaults on any provision of this Consent Order, including payment of the exam fee
2 invoice or violation of the desist and refrain order.

3 6. Acknowledgement of Mootness. As a result of the Commissioner accepting the
4 surrender of Celsius Lending’s CFL license, the Commissioner acknowledges that the
5 Commissioner’s order to suspend all CFL business operations pursuant to Financial Code section
6 22707.5 is hereby moot.

7 7. Waiver of Notice and Hearing Rights. Celsius Lending acknowledges that the
8 Commissioner is ready, willing, and able to proceed with the Action, and Celsius Lending hereby
9 waives the right to any hearings, and to any reconsideration, appeal, or other right to review which
10 may be afforded pursuant to the CFL, the California Administrative Procedures Act, the California
11 Code of Civil Procedure, or any other provision of law. By waiving such rights, Celsius Lending
12 effectively consents to this Consent Order becoming final.

13 8. Full and Final Settlement. The parties hereby acknowledge and agree that this
14 Consent Order is intended to constitute a full, final, and complete resolution of the violations
15 described in the Action, and that no further proceedings or actions will be brought by the
16 Commissioner in connection with the allegations in the Action under the CFL or any other provision
17 of law, excepting therefrom any proceeding to enforce compliance with the terms of this Consent
18 Order.

19 9. Information Willfully Withheld or Misrepresented. Notwithstanding paragraph 14,
20 this Consent Order may be revoked, and the Commissioner may pursue any and all remedies
21 available under law against Celsius Lending if the Commissioner discovers that Celsius Lending
22 knowingly or willfully withheld or misrepresented material information.

23 10. Future Actions by Commissioner. If Celsius Lending fails to comply with the terms
24 of the Consent Order, the Commissioner may institute proceedings for any and all violations
25 otherwise resolved under this Consent Order. The Commissioner reserves the right to bring any
26 future actions against Celsius Lending, or any of its partners, owners, officers, shareholders,
27 directors, employees, or successors for any and all unknown violations of this Consent Order.
28

1 11. Assisting Other Agencies. Nothing in this Consent Order limits the Commissioner’s
2 ability to assist any other government agency (city, county, state or federal) with any prosecution,
3 administrative, civil or criminal action brought by that agency against Celsius Lending or any other
4 person based on any of the activities alleged in this matter or otherwise.

5 12. Headings. The headings to the paragraphs of this Consent Order are inserted for
6 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
7 the provisions hereof.

8 13. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
9 interest.

10 14. Reliance. Each of the parties represents, warrants, and agrees that in executing this
11 Consent Order, it has relied solely on the statements set forth herein and the advice of its own legal
12 counsel, if represented. Each of the parties further represents, warrants, and agrees that in executing
13 this Consent Order it has placed no reliance on any statement, representation, or promise of any
14 other party, or any other person or entity not expressly set forth herein, or upon the failure of any
15 party or any other person or entity to make any statement, representation, or disclosure of anything
16 whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in
17 any way fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of
18 parol evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

19 15. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of
20 this Consent Order will be valid or binding unless it is in writing and signed by each of the parties.
21 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
22 provision. No waiver by either party of any breach of, or of compliance with, any condition or
23 provision of this Consent Order by the other party will be considered a waiver of any other condition
24 or provision or of the same condition or provision at another time.

25 16. Full Integration. This Consent Order is the final written expression and the complete
26 and exclusive statement of all the agreements, conditions, promises, representations, and covenants
27 between the parties with respect to the subject matter hereof, and supersedes all prior or
28 contemporaneous agreements, negotiations, representations, understandings, and discussions

1 between and among the parties, their respective representatives, and any other person or entity, with
2 respect to the subject matter covered hereby.

3 17. Governing Law. This Consent Order will be governed by and construed in
4 accordance with California law. Each of the parties hereto consents to the jurisdiction of the Superior
5 Court of California for the County of Sacramento and thereby irrevocably waives, to the fullest
6 extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or
7 proceeding in such court.

8 18. Effect Upon Future Proceedings. If Celsius Lending applies for any license, permit
9 or qualification under the Commissioner’s current or future jurisdiction, or is the subject of any
10 future action by the Commissioner to enforce this Consent Order, then the subject matter hereof shall
11 be admitted for the purpose of such application(s) or enforcement proceeding(s).

12 19. Voluntary Agreement. Celsius Lending hereby enters into this Consent Order
13 voluntarily and without coercion and acknowledges that no promises, threats, or assurances have
14 been made by the Commissioner or any officer, or agent thereof, about this Consent Order. The
15 parties each represent and acknowledge that he, she or it is executing this Consent Order completely
16 voluntarily and without any duress or undue influence of any kind from any source.

17 20. Counterparts. This Consent Order may be executed in one or more separate
18 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
19 together constitute a single document.

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21. Notice. Any notice required under this Consent Order shall be provided to each party at the following addresses:

To Celsius Lending LLC:
Celsius Lending LLC, c/o/ The Corporation Trust Company
1209 Orange Street, Wilmington, DE 19801

To the Commissioner:
Jeremy Koo, Senior Counsel
Department of Financial Protection and Innovation
2101 Arena Boulevard
Sacramento, California 95834
Jeremy.Koo@dfpi.ca.gov

22. Signatures. A fax, electronic mail, or Adobe DocuSign signature shall be deemed the same as an original signature.

23. Public Record. Celsius Lending hereby acknowledges that the Consent Order is and will be a matter of public record.

24. Effective Date. This Consent Order shall become final and effective when signed by all parties and delivered by the Commissioner’s agent via e-mail to Celsius Lending’s counsel, Chris Koenig at the following email address: chris.koenig@kirkland.com.

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25. Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Consent Order and undertake the obligations set forth herein.

Dated: Feb. 25, 2025

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: Feb. 25, 2025

CELSIUS LENDING LLC

By: _____
CHRISTOPHER FERRARO
Authorized Signer