

STATE OF CALIFORNIA

DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

In the Matter of)
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)
 PAYQWICK, INC.,)
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 Respondent)
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ORDER
(Fin. Code, § 2148)

Pursuant to Financial Code section 2148, the Commissioner of Financial Protection and Innovation (“Commissioner”) hereby orders:

- 1. Commencing with the date of this Order, PayQwick, In. (“Respondent”) shall make, keep, and preserve its books, accounts, and other records in accordance with United States Generally Accepted Accounting Principles, including:
 - a. General ledger accounts
 - b. Cash-in-bank and cash-in-transit amounts
 - c. Fixed assets
 - d. Capitalization of intangible assets
 - e. Outstanding transmission liabilities

- 2. Respondent shall continually monitor its capital level to ensure compliance with regulatory requirements, including Item 2 of the Conditions of Approval letter dated March 27, 2023.

- 3. Within thirty (30) days of the date of this Order, Respondent shall complete all outstanding items required by the Conditions of Approval, including submitting personal financial statements and documentation to the Commissioner to provide clear background results for the following individuals:
 - a. Paul Dunford
 - b. Stacy Litke
 - c. Linnea McWhirter
 - d. Mike Kennedy
 - e. Mukesh Kshatriya

- 4. Within sixty (60) days of the date of this Order, Respondent shall submit to the Commissioner a budget and strategic plan for fiscal year 2023. Respondent shall continue to prepare a budget on an annual basis.

5. Within sixty (60) days of the date of this Order, Respondent shall develop, adopt, and implement Suspicious Activity Report policies and procedures including system enhancements to ensure compliance with regulatory filing and recordkeeping requirements. Respondent shall specify how transactions will be monitored, flagged, escalated for investigation, and tracked for regulatory filing.
6. Within sixty (60) days of the date of this Order, Respondent shall develop, adopt, and implement policies and procedures to track correspondence with regulatory agencies to ensure all open items are followed up on and responded to.
7. Within sixty (60) days of the date of this Order, Respondent shall develop, adopt, and implement an audit tracking log to ensure all violations and findings noted during audits and examinations are resolved in a timely manner.
8. Within sixty (60) days of the date of this Order, Respondent shall complete an assessment of its staffing needs and increase the staff level if needed to ensure business continuity in case of departure of personnel.
9. Within sixty (60) days of the date of this Order, Respondent shall review its website and marketing materials to ensure that:
 - a. Any misleading terms such as “banking” and “deposits” are removed.
 - b. PayQwick, Inc. is presented as a separate entity from Green Check Verified, Inc.
 - c. Green Check Verified, Inc. does not present itself as a licensed money transmitter.
10. Within one hundred and twenty (120) days of the date of this Order, Respondent shall review transactions that occurred during the past five years to ensure that Currency Transaction Reports are filed for all applicable transactions pursuant to 31 CFR §1010.311.
11. Within one hundred and twenty (120) days of the date of this Order, Respondent shall complete a review of all client due diligence files and obtain all missing documentation and information in accordance with the Client Due Diligence Policy.

This Order is effective immediately as of the date set forth below. Violation of any provision of this Order will be deemed to be conducting business in an unsafe manner and will subject Respondent to further regulatory enforcement action. The Commissioner reserves the right to amend, revoke or rescind this Order, in whole or in part.

Date: August 18, 2023

Robert Venchiarutti
Deputy Commissioner
Department of Financial Protection and Innovation