

1 STATE OF CALIFORNIA
2 BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
3 DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

4 To: Bankless, LLC
5 3066 Glen Valley Dr.
6 Crozet, VA 22932

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8 **DESIST AND REFRAIN ORDER**
9 **(For violations of Financial Code sections 561 and 562)**

10 The Commissioner of Financial Protection and Innovation (Commissioner) finds that:

- 11 1. At all relevant times, Bankless, LLC (“Bankless”) is and was a limited liability company formed in Virginia and registered to do business in the State of California.
- 12 2. At all relevant times, Bankless maintained a website at www.bankless.com.
- 13 3. The Commissioner has not issued Bankless a certificate authorizing it to transact
- 14 business under any name or title that contains the word “bank.”

15 **APPLICABLE LAW**

16 4. The Commissioner is responsible for enforcing provisions of the California Financial
17 Institutions Law (Fin. Code, § 550 et seq.) and is authorized to pursue administrative actions and
18 remedies against persons who violate those provisions.

19 5. Financial Code section 561 provides: “No person who has not received a certificate
20 from the commissioner authorizing it to engage in the banking business shall . . . make use of or
21 circulate any letterheads, billheads, blank notes, blank receipts, certificates, or circulars, or any
22 written or printed paper, whatever, having thereon any artificial or corporate name or other words
23 indicating that the business is the business of a bank or trust company, . . ., except to the extent
24 expressly authorized by this division.”

25 6. Financial Code section 562 provides: “No person who has not received a certificate
26 from the commissioner authorizing it to engage in the banking business shall transact business under
27 any name or title that contains the word “bank” or “banker” or “banking” . . . or act or advertise in
28 any manner that indicates that the business is the business of a bank.”

7. Pursuant to Financial Code section 567, “If the commissioner finds that a person has conducted, or that there is reasonable cause to believe that a person is about to conduct, business that requires a license issued by the commissioner and that person has not been issued the required license, the commissioner may, without any prior notice or hearing, order the person to cease and desist from conducting any unauthorized business unless and until the person is issued a license to engage in appropriate licensee business.”

8. Furthermore, California Corporations Code section 17701.08 subdivision (e) also prohibits the use of the words “bank,” “trust,” or “trustee” in the name of a limited liability company in California.

DESIST AND REFRAIN ORDER

Based on the foregoing findings, the Commissioner is of the opinion that Bankless, LLC is in violation of California Financial Code sections 561 and 562 by transacting business in California under a name that contains the word “bank” without prior authorization or exemption.

Pursuant to Financial Code section 567, Bankless LLC is hereby ordered to cease and desist from making use of or circulating any letterheads, billheads, blank notes, blank receipts, certificates, or circulars, or any written or printed paper, whatever, (including a website) having thereon any artificial or corporate name or other words, indicating that their business is the business of a bank, and/or from transacting business under a name or title that contains the word “bank” without first obtaining a certificate from the Commissioner authorizing them to engage in the banking business in this state, or otherwise being exempt.

This Order is necessary, in the public interest, for the protection of consumers and consistent with the purposes, policies and provision of the California Financial Institutions Law.

DATED: February 22, 2024
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division