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**STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION**

1830 E College Parkway, Suite 100
Carson City, Nevada 89706
(775) 684-2970

In Re:

Asure Operations LLC; Asure Payroll
Services Inc; Evolution Payroll
Processing LLC; Mangrove Employer
Services Inc; Asure Payroll Tax
Management LLC; Asure Treasury
Management LLC

Respondent.

**ADMINISTRATIVE COMPLAINT FOR
DISCIPLINARY ACTION AND APPEAL
RIGHTS**

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FOR DISCIPLINARY ACTION AND APPEAL RIGHTS**

The State of Nevada, Department of Business and Industry, Division of Financial Institutions, Commissioner of Financial Institutions (hereinafter "Division" or "Commissioner") hereby provides Administrative Complaint for Disciplinary Action and Appeal Rights to Asure Operations LLC (hereinafter "Respondent").

JURISDICTION

1. The business of acting as a money transmitter in this state is governed by Nevada Revised Statutes (NRS) Chapter 671 and Nevada Administrative Code (NAC) Chapter 671.

2. The Commissioner has primary jurisdiction for the licensing and regulation of persons operating and/or engaging in the business of a money transmitter. See NRS and NAC 657 and 671, including, but not limited to, NRS 657.210, NRS 671.030, NRS 671.040, NRS 671.060 and NAC 671.070.

3. Pursuant to the authority vested by NRS 671, the Commissioner hereby makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

4. Respondent is registered under the laws of the State of Nevada, and its resident agent is CT Corporation System, located at 701 S. Carson Ct, Ste 200, Carson City, Nevada, 89701.

5. Respondent operates the business of a money transmitter at the following location: 405 Colorado Street, Suite 1800, Austin, Texas 78701.

6. Respondent submitted an Application for Licensure as a Money Transmitter through the Nationwide Multistate Licensing System and Registry ("NMLS") on November 18, 2023.

7. On January 4, 2024, during a preliminary review of Respondent's application, the Division reviewed the Respondent's Nevada Application Addendum, which is a required form that requests additional information about the applicant. The addendum referred to another statement provided by the applicant that was uploaded in NMLS as part of the application. The statement from the applicant disclosed that the company has been conducting money transmission in Nevada including payroll activity for both transactions that originated in Nevada and transactions being disbursed to residents of Nevada.

8. Pursuant to conversations with Respondent and the Respondent Flow of Funds in NMLS, payroll funds flow through several subsidiaries of Asure Operations LLC.

9. On January 4, 2024, the Division sent an email to Respondent asking for confirmation that all Nevada activity had paused pending the approval of the application and issuance of the license.

10. Respondent called the Division on January 9, 2024, to discuss the pending application. During the call, Chris Bell, representative for Respondent, stated that the company is still operating in Nevada and is working to get the pending application approved as quickly as possible.

11. Respondent reported through NMLS five other disciplinary actions related to unlicensed activity in Texas, Idaho, Connecticut, Nebraska and Michigan.

12. If any finding of fact is more properly characterized as a conclusion of law, it shall be construed as such.

CONCLUSIONS OF LAW

Based on the findings of fact, the Commissioner finds as follows:

13. NRS 671.040 states that a license is required prior to transmitting money or credits.

14. NRS 671.040 states:

1. A person shall not engage in the business of money transmission or advertise, solicit or hold himself, herself or itself out as providing money transmission unless the person:

(a) Has been issued a license pursuant to this chapter; or

(b) Is an authorized delegate of a licensee that is acting within the scope of authority conferred by a written contract with the licensee.

2. A person must have a license or be an authorized delegate described in paragraph (b) of subsection 1 regardless of the location or method that the person uses to engage in the business of money transmission, including, without limitation, at a kiosk, through the Internet, through any telephone, facsimile machine or other telecommunication device or through any other machine, network, system, device or means.

15. NRS 671.215 states:

A person shall not engage in the business of money transmission on behalf of a person not licensed under this chapter or who is not exempt from licensure under this chapter. A person that engages in such activity provides money transmission to the same extent as if the person were a licensee and is jointly and severally liable with the unlicensed or nonexempt person.

16. NRS 671.495 states that any person that violates any provision of NRS 671 or its regulations is guilty of a misdemeanor.

17. NRS 671.495 states:

1. Any person who:

(a) Without a license, knowingly engages in any activity for which a license is required pursuant to this chapter;

(b) Violates any provision of this chapter, or any regulation adopted or order issued by the Commissioner pursuant to this chapter;

(c) Knowingly makes any false or misleading statement of a material fact in any application, statement or report filed pursuant to this chapter;

(d) Knowingly omits to state any material fact necessary to provide the Commissioner with information lawfully required by the Commissioner; or

1 (e) Refuses to permit or obstructs any lawful investigation,
2 examination, entry or access by the Commissioner,
3 ↳ is guilty of a misdemeanor.

4 2. Each day during which a violation continues constitutes a
5 separate offense.

6 3. The imposition of any fine or term of imprisonment
7 pursuant to subsection 1:

8 (a) Is in addition to any suspension, revocation or denial of
9 renewal of a license which may result from the violation.

10 (b) Is not a bar to enforcement of this chapter by an injunction
11 or other appropriate civil remedy.

12 18. NRS 671.485 states:

13 In addition to any other remedy or penalty, the Commissioner may impose an
14 administrative fine of not more than \$10,000 upon a person who:

15 1. Without a license, conducts any business or activity for which a license
16 is required pursuant to the provisions of this chapter; or

17 2. Violates any provision of this chapter or any regulation adopted pursuant
18 thereto.

19 19. NAC 671.085 states:

20 1. If a person engages in an activity in violation of the
21 provisions of this chapter or chapter 671 of NRS, the
22 Commissioner may issue an order to the person imposing an
23 administrative fine pursuant to NRS 671.185 and directing the
24 person to cease and desist from engaging in the activity.

25 2. An order issued pursuant to subsection 1 must:

26 (a) Be in writing.

27 (b) Be served by certified mail on the person to whom the order
28 is directed. For the purposes of this paragraph, proof of attempted
service by certified mail to the last known address of the person is
sufficient to establish that service was complete.

(c) State that the person has 30 days after the date of the order
to request an administrative hearing and that the order shall be
deemed final if the Division does not receive a verified petition for a
hearing within the prescribed time.

(d) State that, in the opinion of the Commissioner, the person
has engaged in an activity:

(1) For which the person has not received a license as
required by chapter 671 of NRS; or

(2) In a manner that violates the provisions of this chapter
or chapter 671 of NRS.

3. A person who is served with an order to cease and desist
pursuant to this section shall not engage in any activity prohibited
by the order after the person is served with the order unless the
order is suspended or rescinded.

4. If a verified petition for a hearing is received by the Division
within the prescribed time, the Commissioner or the designee of
the Commissioner shall hold a contested hearing.

5. An order to cease and desist may be amended or rescinded at any time before or during the contested hearing. Subject to the discretion of the Commissioner or the designee of the Commissioner, the hearing may be continued if an amendment to the order materially alters the facts or legal issues relating to the order or the respondent demonstrates an inability to prepare for the hearing as a result of the amendment.

6. The decision of the Commissioner or the designee of the Commissioner is final for the purposes of judicial review.

20. It is in the opinion of the Commissioner, and/or the Commissioner has reasonable cause to believe, that Respondent is or was violating, or is or was threatening to, or intends or intended to violate provisions of NRS Chapter 671 and NAC Chapter 671 by conducting money transmission business in Nevada without a license.

21. Pursuant to NAC 671.085(2)(c), Respondent has 30 days after the date of the “Administrative Complaint for Disciplinary Action and Appeal Rights” (“Complaint”) to request an administrative hearing. The Complaint shall be deemed final if the Division does not receive a verified petition for a hearing within the time prescribed.

ORDER

IT IS HEREBY ORDERED that

1. Respondent shall pay a fine of \$10,000 as an administrative penalty pursuant to NRS 671.485; and
2. Respondent shall refrain from any activity that is in violation of NRS and NAC Chapters 671, and otherwise operate its business in accordance with those Chapters.

DATED this 5th day of November 2024.

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

By:

Sandy O'Laughlin
Commissioner

1 **CERTIFICATE OF SERVICE**

2 I certify that I am an employee of the State of Nevada, Department of Business and
3 Industry, Financial Institutions Division, and that on November 5, 2024, I deposited in the U.S.
4 mail, postage prepaid, via First Class Mail and Certified Return Receipt Requested, a true and
5 correct copy of the foregoing **ADMINISTRATIVE COMPLAINT FOR DISCIPLINARY ACTION**
6 **AND APPEAL RIGHTS**, addressed as follows:

7 Asure Operations LLC
8 Attn: Chris Bell
9 405 Colorado Street, Suite 1800
10 Austin, TX 78701
11 *Certified Mail: 7019 1120 0000 3407 9093*

12 Asure Operations LLC
13 c/o CT Corporation System
14 701 S. Carson St, Suite 200
15 Carson City, NV 89701
16 *Certified Mail: 7019 1120 0000 3407 9109*

17 DATED this 5 day of November 2024.

18 By: 