

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

4 To: PostD Merchant Banque
5 333 S Grand Avenue, Ste. 3590
6 Los Angeles, California 90071

7 CEASE AND DESIST ORDER
8 (For violations of Financial Code sections 560, 561, and 562)

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

10 1. At all relevant times, PostD Merchant Banque was a Nevada corporation with an
11 address of 333 S Grand Avenue, Ste. 3590, Los Angeles, California 90071.

12 2. At all relevant times, PostD Merchant Banque maintained a website at
13 postdmerchantbanque.com. The PostD Merchant Banque website contain numerous references to
14 operations as a bank and providing banking services.

15 3. The PostD Merchant Banque website contained statements including:

- 16 a. “Digital Banking Services”
- 17 b. “At POSTD Merchant Banque we offer secure efficient digital banking and fund
18 management solutions exclusively developed by our company”
- 19 c. “DIGITAL BANKING LEADER”
- 20 d. “Our banking vaulting services provide secure on-site storage that allows easy
21 access to liquid assets, while in a safe multi-layered secure environment”
- 22 e. “POSTD Merchant Banque (PMB) is a financial services company that offers clients
23 access to growth capital in the private markets through institutional debt or equity,
24 far beyond what traditional banks can and will provide”

25 4. PostD Merchant Banque advertises itself as a bank listing an address in Los Angeles,
26 California. PostD Merchant Banque also represents that it engages in banking activity by providing
27 digital banking services. Moreover, the word “banque” is the French equivalent to the English
28 word “bank.”

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5. Financial Code section 560 provides:

No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall solicit or receive deposits, issue certificate of deposits with or without provision for interest, make payments on checks, or transact business in the way or manner of a bank or trust company.

6. Financial Code section 561 provides:

No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall . . . make use of or circulate any letterheads, billheads, blank notes, blank receipts, certificates, or circulars, or any written or printed paper, whatever, having thereon any artificial or corporate name or other words indicating that the business is the business of a bank or trust company, or transact business in a way or manner as to lead the public to believe that its business is that of a bank or trust company, except to the extent expressly authorized by this division.

7. Financial Code section 562 provides:

No person who has not received a certificate from the commissioner authorizing it to engage in the banking business shall transact business under any name or title that contains the word “bank” or “banker” or “banking” . . . or act or advertise in any manner that indicates that the business is the business of a bank.

8. The Commissioner has not issued PostD Merchant Banque a certificate authorizing it to engage in the banking business in this State or to transact business under any name or title that contains the word “bank.”

9. Pursuant to Financial Code section 567, “[i]f 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 license business.”

Based on the foregoing findings, the Commissioner is of the opinion that PostD Merchant Banque is engaged in the business of soliciting or receiving deposits, or transacted business in the

1 way or manner of a bank, without first obtaining a certificate from the Commissioner authorizing it
2 to engage in the banking business in this state, in violation of Financial Code section 560.

3 The Commissioner is of the further opinion that PostD Merchant Banque has made use of or
4 circulated written words indicating that its business is the business of a bank, or transacted business
5 in a way or manner as to lead the public to believe that its business is that of a bank, without first
6 obtaining a certificate from the Commissioner authorizing it to engage in the banking business in
7 this state, in violation of Financial Code section 561.

8 The Commissioner is of the further opinion that PostD Merchant Banque transacted business
9 under a name that contains the word “bank” or acted or advertised in a manner that indicates that
10 their business is the business of a bank, without first obtaining a certificate from the Commissioner
11 authorizing it to engage in the banking business in this state, in violation of Financial Code section
12 562.

13 Pursuant to Finance Code section 567, PostD Merchant Banque is hereby ordered to cease
14 and desist from engaging in the business of soliciting or receiving deposits or transact business in the
15 way or manner of a bank and/or making use of or circulating written words indicating that their
16 business is the business of a bank, or transacting business in a way or manner as to lead the public to
17 believe that its business is that of a bank, and/or transacting business under a name that contains the
18 word “bank” or acting or advertising in a manner that indicates that their business is the business of a
19 bank, without first obtaining a certificate from the Commissioner authorizing it to engage in the
20 banking business in this state, or otherwise being exempt.

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

23 Dated: August 12, 2024

24 CLOTHILDE V. HEWLETT
25 Commissioner of Financial Protection and Innovation



26 By _____
27 Mary Ann Smith
28 Deputy Commissioner
Enforcement Division