



3300 W. Sahara Avenue, Suite 250  
Las Vegas, Nevada 89102  
(702) 486-4120

**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:

Prime Trust, LLC

Respondent.

**ORDER TO CEASE AND DESIST  
FROM VIOLATIONS OF NRS 669;  
NOTICE OF RIGHT TO A HEARING**

**ORDER TO CEASE AND DESIST FROM  
VIOLATIONS OF NRS 669**

The State of Nevada, Department of Business and Industry, Financial Institutions Division (hereinafter "Division" or "NFID") hereby orders Prime Trust, LLC (hereafter "Respondent") to cease and desist from any and all activities that are in violation of Chapter 669 of the Nevada Revised Statutes ("NRS") and of the Nevada Administrative Code ("NAC").

**JURISDICTION**

1. The business of trust companies in the State of Nevada is governed by Nevada Revised Statutes (NRS) Chapter 669 and Nevada Administrative Code (NAC) Chapter 669.

2. The Commissioner has primary jurisdiction for the licensing and regulation of persons operating and/or engaging in trust company business. See NRS 669, including, but not limited to, NRS 657.210, NRS 669.010, NRS 669.130, NRS 669.250, NRS 669.270, and NAC 669.090.

3. Pursuant to the authority vested by NRS 669, the Commissioner hereby makes the following Findings of Fact and Conclusions of Law.

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2 **FINDINGS OF FACT**

3 4. Respondent is registered under the laws of the State of Nevada, and its resident  
4 agent is Saltzman Mugan Dushoff, PLLC-CRA, located at 1835 Village Center Circle, Las  
5 Vegas, Nevada 89134.

6 5. Respondent operates the business of a trust company at the following location:  
7 330 South Rampart Boulevard, Suite 260, Las Vegas, Nevada 89145.

8 6. On or about January 26, 2017, Respondent was granted a license pursuant to  
9 NRS 669 authorizing Respondent to operate a trust company in the State of Nevada.

10 7. On November 7, 2022, the Division commenced a safety and soundness  
11 examination of Respondent.

12 8. The original examination scope was as of September 30, 2022.

13 9. The examination remains open and ongoing due to NFID expanding the scope  
14 of examination and the need to monitor the solvency of the trust company.

15 10. Respondent reported in its March 31, 2023, Nationwide Multistate Licensing  
16 System Money Service Business Call Report, a negative \$12,071,508 stockholders' equity  
17 position.

18 11. The overall financial condition of Respondent has considerably deteriorated to a  
19 critically deficient level, and Respondent is now in position where it is in an unsafe or unsound  
20 condition to transact business and/or if it were to continue to operate it would be in an  
21 unviable and/or unsafe manner.

22 12. On or about June 21, 2023, Respondent was unable to honor customer  
23 withdrawals due to a shortfall of customer funds caused by a significant liability on the  
24 Respondent's balance sheet owed to customers.

25 13. Respondent has materially and willfully breached its fiduciary duties to its  
26 customers by failing to safeguard assets under its custody and is unable to meet all customer  
27 disbursement requests.

1 14. Respondent is violating NRS 669.100(1) and/or NRS 669.2825(1)(a), (b), (c), (f)  
2 and (k).

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

5 **CONCLUSIONS OF LAW**

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

7 16. NRS 669.100(1) states, "No retail trust company may be organized or operated  
8 with a stockholders' equity of less than \$1,000,000, or in such greater amount as may be  
9 required by the Commissioner. The full amount of the initial stockholders' equity must be paid  
10 in cash, exclusive of all organization expenses, before the trust company is authorized to  
11 commence business." Respondent may not operate with a stockholders' equity of less than  
12 \$1,000,000. However, as reported in its March 31, 2023, Nationwide Multistate Licensing  
13 System Money Service Business Call Report, Respondent is operating with a negative  
14 \$12,071,508 stockholders' equity position. As such, Respondent is without the necessary  
15 equity required to operate as a Trust company pursuant to NRS 669.100(1).

16  
17 17. NRS 669.2825(1) states:

18 1. The Commissioner may institute disciplinary action or forthwith initiate  
19 proceedings to take possession of the business and property of any retail trust  
20 company when it appears that the retail trust company:

21 (a) Has violated its charter or any state or federal laws applicable to the  
22 business of a trust company.

23 (b) Is conducting its business in an unauthorized or unsafe manner.

24 (c) Is in an unsafe or unsound condition to transact its business.

25 (d) Has an impairment of its stockholders' equity.

26 (e) Has refused to pay or transfer account assets to its account holders as  
27 required by the terms of the accounts' governing instruments.

28 (f) Has become insolvent.

(g) Has neglected or refused to comply with the terms of a lawful order of the  
Commissioner.

(h) Has refused, upon proper demand, to submit its records, affairs and  
concerns for inspection and examination of an appointed or authorized examiner  
of the Commissioner.

(i) Has made a voluntary assignment of its assets to receivers, conservators,  
trustees or creditors without complying with NRS 669.230.

(j) Has failed to pay a tax as required pursuant to the provisions of chapter  
363A or 363C of NRS.



1 (k) Has materially and willfully breached its fiduciary duties to its customers.

2 (l) Has failed to properly disclose all fees, interest and other charges to its  
3 customers.

4 (m) Has willfully engaged in material conflicts of interest regarding a customer's  
5 account.

6 (n) Has made intentional material misrepresentations regarding any aspect of  
7 the services performed or proposed to be performed by the retail trust company.

8 18. Respondent has failed to satisfy the requirements of NRS 669.100(1), which  
9 constitutes a violation of NRS 669.2825(1)(a).

10 19. Respondent is operating at a substantial deficit and/or is insolvent and will not  
11 be able to satisfy all withdrawals, therefore, Respondent is in an unsafe condition to transact  
12 business and/or is insolvent, which violates NRS 669.2825(1)(b), (c), and (f).

13 20. On or about June 21, 2023, Respondent was unable to honor customer  
14 withdrawals due to a shortfall of customer funds caused by a significant liability on the  
15 Respondent's balance sheet owed to customers. Additionally, Respondent failed to safeguard  
16 assets under its custody and is unable to meet all customer withdrawals. As such,  
17 Respondent has materially and willfully breached its fiduciary duties to its clients, in violation  
18 of NRS 669.2825(1)(k).

19 21. NRS 669.2846(1) states "Whenever the Commissioner has reasonable cause to  
20 believe that any person is violating or is threatening to or intends to violate any provision of  
21 this chapter, the Commissioner may, in addition to all actions provided for in this chapter and  
22 without prejudice thereto, enter an order requiring the person to desist or to refrain from such  
23 violation."

24 22. NRS 669.280(1) states "The violation of any of the provisions of this chapter by  
25 the officers or directors, or the managers or members acting in a managerial capacity, of any  
26 trust company is sufficient cause for the Commissioner to close the trust company, liquidate  
27 its business and revoke its license."

28 23. The Commissioner has reasonable cause to believe that Respondent is violating  
the provisions of NRS Chapter 669 by operating a trust company in an unauthorized, unsafe  
manner.

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24. Respondent has 30 days after the date of the instant ORDER TO CEASE AND DESIST FROM VIOLATIONS OF NRS 669 ("Order") to request an administrative hearing. The Order 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 Respondent shall **CEASE AND DESIST** from operating and/or engaging in the trust company business in violation of NRS Chapter 669, specifically NRS 669.100(1) and NRS 669.2825(1)(a), (b), (c), (f) and (k).

IT IS FURTHER ORDERED that the Respondent:

- a. Cease and desist from accepting fiat currency from existing and new clients for custody purposes.
- b. Cease and desist from accepting cryptocurrency from existing and new clients for custody purposes.

DATED this 21<sup>st</sup> day of June 2023.

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
FINANCIAL INSTITUTIONS DIVISION

By: \_\_\_\_\_

  
Sandy O'Laughlin  
Commissioner

**NOTICE OF RIGHT TO A HEARING**

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2           **RESPONDENT HAS THE RIGHT TO REQUEST A HEARING IN THIS MATTER.** If  
3 you wish to request a hearing, you must file a request **within thirty (30) days** after this Order  
4 to Cease and Desist was served on the Respondent. This Order to Cease and Desist shall be  
5 deemed final if the Division does not receive a verified petition for hearing from the  
6 Respondent within this prescribed time.  
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8           Respondent's request for a hearing must be delivered to:

9                               FINANCIAL INSTITUTIONS DIVISION  
10                              DEPARTMENT OF BUSINESS AND INDUSTRY  
11                               3300 W. Sahara Avenue, Suite 250  
12                               Las Vegas, Nevada 89102

13           Other important rights you have are listed in Nevada Revised Statutes Chapters 669  
14 and 233B and the Nevada Administrative Code Chapter 669.

15           DATED this 21<sup>ST</sup> day of June 2023.

16                               STATE OF NEVADA  
17                               DEPARTMENT OF BUSINESS AND INDUSTRY  
18                               FINANCIAL INSTITUTIONS DIVISION

19           By: 

20                               Sandy O'Laughlin  
21                               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 June 21, 2023, 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 **ORDER TO CEASE AND DESIST FROM VIOLATIONS OF**  
6 **NRS CHAPTER 669; NOTICE OF RIGHT TO A HEARING**, addressed as follows:  
7

8 Matthew Saltzman  
9 Saltman Mughan Dushoff  
10 1835 Village Center Circle  
11 Las Vegas, NV 89134  
12 *Certified Mail: 7019 1120 0000 3407 8744*

13 Jor Law  
14 Prime Trust  
15 330 S Rampart Blvd, Suite 260  
16 Las Vegas, NV 89145  
17 *Certified Mail: 7019 1120 0000 3407 8751*

18 DATED this 21 day of June 2023.

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By: 



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 June 21, 2023, I hand-delivered a true  
4 and correct copy of the foregoing **ORDER TO CEASE AND DESIST FROM VIOLATIONS OF**  
5 **NRS CHAPTER 669; NOTICE OF RIGHT TO A HEARING**, to the following address:  
6

7 *Personal Service to:*  
8 Prime Trust  
9 330 S Rampart Blvd, Suite 260  
Las Vegas, NV 89145

10 DATED this 21 day of June 2023.

11  
12 By: 