

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF BANKING AND SECURITIES

In the matter of: )  
BILL.COM, INC. dba )  
BDC PAYMENT SERVICES, INC. )  
Respondent. )  
\_\_\_\_\_ )

**ORDER NO: 14-149-C**  
**ORDER TO**  
**CEASE AND DESIST**  
**ASSESSING CIVIL PENALTIES**  
**AND**  
**CONSENT TO ORDER**

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Department”), has conducted an investigation into the conduct of Bill.com, Inc. dba BDC Payment Services, Inc. (“Respondent”) and has determined that Respondent violated certain provisions of AS 06.55 et seq. (“Alaska Uniform Money Services Act”).

Respondent agrees that the Department has jurisdiction over Respondent and these matters pursuant to the Alaska Uniform Money Services Act.

Respondent wishes to resolve and settle this matter with the Department. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order to cease and desist violating the law and assessing civil penalties based on the Conclusions of Law and Order. Respondent waives its right to a hearing.

**I. FACTS**

1. Respondent is a corporation organized under the laws of the State of Delaware, file no. 4138518, and maintains a principal place of business at 3200 Ash Street, Palo Alto, California, 94306. Incorporation Services, Ltd. is the registered agent.

2. Respondent provides money transmission services through a web-based software

1 service that automates payables, receivables, and business document filing tasks for its  
2 subscribers.

3 3. From 2009 to 2013, Respondent provided services to Alaska subscribers including  
4 automating payables and receivables, and issuing transfer instructions to transfer funds  
5 between its subscriber's bank accounts and vendor accounts.

6 4. From 2009 to 2013, Respondent generated fees each year in Alaska.

7 5. Respondent has no physical office in Alaska and operates solely over the internet.

8 6. Respondent has cooperated with the Department in its investigation into this  
9 matter.

10 7. Respondent completed an application for a money transmission license in Alaska on  
11 November 20, 2013, and that application is pending.

## 12 II. CONCLUSIONS OF LAW

13 1. From 2009 to 2013, Respondent engaged in "money transmission" in Alaska as that  
14 term is defined in AS 06.55.990(15) by automating payables and receivables, issuing transfer  
15 instructions to transfer funds between its subscriber's bank accounts and vendor accounts,  
16 and generating fees each year from Alaska subscribers.

17 2. From 2009 to 2013, Respondent violated AS 06.55.101(a) by engaging in money  
18 transmission in Alaska without a money transmission license.

19 3. Pursuant to AS 06.55.605, Respondent is subject to a civil penalty because it violated  
20 AS 06.55.101(a).

21 4. Pursuant to AS 06.55.407(b), this Order is a public document because the Department  
22 determined that the release of information is reasonably necessary for the protection of the  
23 public and in the interests of justice.

24 //

1 **III. ORDER**

2 Pursuant to AS 06.55.604, it is hereby ORDERED:

3 1. Respondent shall CEASE AND DESIST from engaging in money transmission in  
4 Alaska without a money transmission license.

5 2. Respondent shall pay a civil penalty in the amount of fifty thousand dollars  
6 (\$50,000.00), plus three hundred dollars (\$300.00) to reimburse the Department for the costs  
7 of its investigation, for a total amount of fifty thousand three hundred dollars (\$50,300.00).

8 3. This Order is a publicly disclosable document.

9 **IT IS SO ORDERED.**

10 SUSAN BELL, Commissioner  
11 Department of Commerce, Community,  
and Economic Development

12 March 14, 2014

13 Date

/s/ Kevin Anselm

14 Kevin Anselm, Director  
15 Division of Banking and Securities

16 **Consent to Entry of Order**

17  
18 Mark Orttung, President and Chief Operating Officer, as authorized representative of  
19 Bill.com, Inc. dba BDC Payment Services, Inc. (“Respondent”), acknowledges that he has  
20 read the foregoing Order and that he knows and fully understands the Order contents; that  
21 Respondent has been represented by counsel in this matter; that Respondent acknowledges  
22 violation of the Alaska Uniform Money Services Act; that Respondent voluntarily and  
23 without any force or duress, consents to the entry of this Order, expressly waiving its right to  
24

1 a hearing in this matter; that Respondent understands that the Department reserves the right  
2 to take further actions to enforce this Order or to take appropriate action upon discovery of  
3 other violations of the Alaska Uniform Money Services Act, and that Respondent will fully  
4 comply with the terms and conditions stated herein.

5 Respondent further assures the Department that Respondent and its members,  
6 officers, employees and agents will only effect money transmissions in Alaska in full  
7 compliance with the terms of this Order and the Alaska Uniform Money Services Act.

8 Respondent acknowledges that this Order is a publicly disclosable document.

9  
10 March 12, 2014 /s/ Mark Orttung  
11 Date Mark Orttung for  
12 Bill.com, Inc. dba  
13 BDC Payment Services, Inc.

14 SUBSCRIBED AND SWORN TO before me this 12<sup>th</sup> day of March 14, 2014 at  
15 Palo Alto, California.

16 /s/ Etsuko Hartnett  
17 Notary Public in and for California  
18 Etsuko Hartnett  
19 Notary Printed Name  
20 My commission expires: 12/12/2014

21 Contact Person:  
22 David Newman  
23 Securities Examiner  
24 (907) 269-7678