

State of New Hampshire Banking Department

Case No.: 09-143

New Hampshire Banking Department,

Petitioner,

and

Custom House (USA) Ltd.,

Respondent

Consent Order

CONSENT ORDER “ORDER”

The State of New Hampshire Banking Department (the “Department”) finds and Orders as follows:

Respondent

1. Custom House (USA) Ltd. (Custom House) is a corporation duly incorporated in the State of Washington with its principal location in Victoria, British Columbia, Canada.
2. Custom House has a pending license application with the Department as a New Hampshire Money Transmitter.

Jurisdiction

3. The Department is authorized to regulate persons engaged in the business of money transmission. RSA 399-G:2 and RSA 399-G:5. RSA 399-G:1, VIII defines “money transmission” as “engaging in the business of selling or issuing payment instruments or stored value, or receiving money or monetary value for transmission to another location.”
4. The Commissioner has jurisdiction to issue orders and to revoke, deny, or suspend a license, of a licensee, or a person under the commissioner’s jurisdiction, and/or assess fines, penalties, and costs pursuant RSA Chapter 399-G. RSA 399-G:18; RSA 399-G:19; RSA and RSA 399-G:21, II and IV.

Summary of Facts

5. Since 2006, Custom House has been conducting business with New Hampshire consumers without a New Hampshire Money Transmitter license. During 2006, Custom House conducted at least 1,412 transactions with 109 New Hampshire consumers.
6. On May 5, 2009, Custom House filed an application with the Department for a New Hampshire Money Transmitter license.
7. On June 25, 2010, Custom House provided the Department a complete list of all transactions conducted for New Hampshire consumers.
8. Custom House's application has been pending due to additional documentation requests regarding Custom House's officer and director changes.
9. The Department's Licensing Division now has a completed and approved application ready for licensure pending full execution of this Consent Order.

Alleged Violation(s) of Law and Penalties

10. Custom House is a "Person" as defined by RSA 399-G:1,X.
11. For each consumer, as detailed above in Paragraph 6, an administrative fine not to exceed \$2,500.00 may be assessed for each unlicensed transaction for a total maximum administrative penalty of \$272,500.00. RSA 399-G:21, II and IV.
12. In addition, back-license fees owed from 2006 to 2009 (in 2010 Custom House's application was on file with the Department) total \$2,000.00 (\$500.00 per year). RSA 399-G:5, II (b).
13. Mitigating factors include but are not limited to:
 - a. Custom House approached the Department to obtain licensure as a money transmitter;
 - b. Custom House has been cooperative with the Department;
 - c. Custom House is licensed and in good standing in other states as a money transmitter;
 - d. To date, there are no consumer complaints on file with the Department; and
 - e. To date, there is no evidence of consumer harm.

Respondent Consent

14. Custom House agrees it has voluntarily entered into this Consent Order without reliance upon any discussions between the Department and Custom House, without promise of a benefit of any kind (other than concessions contained in this Consent Order), and without threats, force, intimidation, or coercion of any kind. Custom House, further acknowledges its understanding of the nature of the allegations set forth in this action, including the potential penalties provided by law.
15. Custom House hereby acknowledges, understands, and agrees that there is the right to notice, hearing, and/ or a civil action and hereby waives said rights.

Order

16. **Whereas pursuant to RSA 399-D:13,VI** finding this Consent Order necessary, appropriate and in the public interest and consistent with the intent and purposes of New Hampshire banking laws, the Department Orders as follows:
 - a. Custom House shall pay to the Department \$9,500.00 in administrative penalties for unlicensed activity in 2006 through 2009, payable contemporaneously with Custom House's signing of this Consent Order; and
 - b. All checks shall be bank check or guaranteed funds and made payable to "State of New Hampshire".
17. This Consent Order may be revoked and the Department may pursue any and all remedies available under law, if the Department later finds that Custom House knowingly or willfully withheld information used and relied upon in this Consent Order.
18. This Consent Order is binding on all heirs, assigns, and/or successors in interest.
19. This Consent Order shall become effective upon the date the Commissioner signs this Consent Order.

20. Once this Consent Order is effective, the Department agrees not to seek further reimbursement, refunds, penalties, fines, costs, or fees regarding the facts, allegations, or findings of violations contained herein.

WHEREFORE, based on the foregoing, we have set our hands to this Consent Order, upon its execution by Ronald A. Wilbur, Bank Commissioner.

Recommended on *June 6th*, 2011 by:

/s/

Raef J. Granger, Esq.
Hearings Examiner
New Hampshire Banking Department

Agreed to on *June 21st*, 2011 by

/s/

Scott Stevens, Director of Respondent
Custom House (USA) Ltd.

SO ORDERED,

Entered this *June 28*, 2011.

/s/

Ronald A. Wilbur, Bank Commissioner
State of New Hampshire Banking Department