

1 In re the Matter of: ) Case No.: 10-022  
 2 State of New Hampshire Banking )  
 3 Department, )  
 4 Petitioner, ) Order to Show Cause and  
 5 and ) Cease and Desist  
 6 Cornelis A. Pangemanan (d/b/a Cornel )  
 7 Indotransfer), Cornelis A. Pangemanan, )  
 8 Respondent )

9 NOTICE OF ORDER TO SHOW CAUSE AND CEASE AND DESIST ("ORDER")

10 1. This Order commences an adjudicative proceeding under the provisions  
 11 of RSA Chapter 399-G (including RSA 399-G:18,I, RSA 399-G:19,I and II and  
 12 RSA 399-G:20,IV) and RSA Chapter 541-A.

13 2. The Commissioner may impose administrative penalties of up to  
 14 \$2,500.00 for each violation. RSA 399-G:21,IV and V.

15 RESPONDENTS

16 3. Cornelis A. Pangemanan, a sole proprietor, (d/b/a Cornel Indotransfer)  
 17 ("Respondent Indotransfer") has an active trade name of Cornel Indotransfer  
 18 registered in the State of New Hampshire on February 22, 2011 and an  
 19 inactive one of the same name from January 19, 2006 through January 19, 2011  
 20 with a principal office location in Somersworth, New Hampshire. Respondent  
 21 Indotransfer is not registered with the New Hampshire Secretary of State as  
 22 a corporation, partnership, or limited liability company. Respondent  
 23 Indotransfer is a "Person." RSA 399-G:1,X.

24 4. The Department records indicate Respondent Indotransfer has never held  
 25 a Money Transmitter license issued by the New Hampshire Banking Department

1 ("Department"). Respondent Indotransfer (as a d/b/a for Cornelis A.  
2 Pangemanan had a pending and incomplete New Hampshire Money Transmitter  
3 license application with the Department from October 8, 2009 until  
4 Respondent Cornelis A. Pangemanan withdraw the license application on April  
5 7, 2011.

6 5. Cornelis A. Pangemanan ("Respondent Pangemanan") is the 100% owner and  
7 control person for Respondent Indotransfer. Respondent Pangemanan is not a  
8 licensed New Hampshire Money Transmitter. Respondent Pangemanan is Sole  
9 Proprietor, a Person (RSA 399-G:1,X), a Direct Owner (RSA 399-G:1,IV), a  
10 Principal (RSA 399-G:1, XI) and a Control Person (RSA 361-A:1,II-a).

11 6. The above-named Respondents are hereinafter collectively called  
12 "Respondents".

13 **RIGHT TO REQUEST A HEARING**

14 7. Respondents have a right to request a hearing on this Order. A hearing  
15 shall be held not later than ten (10) days after the Commissioner receives  
16 the Respondent's written request for a hearing. Respondents may request a  
17 hearing and waive the ten (10) day hearing requirement. The hearing shall  
18 comply with RSA Chapter 541-A. RSA 399-G:18 and RSA 399-G:19.

19 8. If any person fails to request a hearing within thirty (30) days of  
20 receiving this Order, then such person shall be deemed in default, and the  
21 Order shall, on the thirty-first (31<sup>st</sup>) day, become permanent, all  
22 allegations may be deemed true, and shall remain in full force and effect  
23 until modified or vacated by the Commissioner for good cause shown. RSA  
24 399-G:18 and RSA 399-G:19.

25 9. A default may result in administrative fines as described in Paragraph

1 2 above.

2 **STATEMENT OF ALLEGATIONS**

3 10. In 2008, Respondents approached the Department inquiring about a New  
4 Hampshire Money Transmitter license. The Department gave the Respondents the  
5 proper money transmitter license application form.

6 11. On October 8, 2009, Respondents filed the Money Transmitter license  
7 application with the Department. Throughout the course of October 2009,  
8 Respondents met with personnel from the Department's Licensing Division to  
9 discuss the facts surrounding and the deficiencies in the license  
10 application.

11 12. On February 5, 2010, the Department's Licensing Division wrote to  
12 Respondents requesting a copy of the FinCen registration as a Money Services  
13 Business ("MSB"). The Licensing Division also requested a copy of all  
14 contracts and agreements Respondents used. The Licensing Division also  
15 returned a page of his application due to the surety bond agent portion  
16 being incomplete.

17 13. On February 16, 2010, Respondents arrived at the Department with an  
18 Interpreter and dropped off a written statement indicating that no written  
19 contracts exist and dropped off the completed page of the application with  
20 the applicable bonding agent.

21 14. On February 19, 2010, the Department's Licensing Division still had  
22 concerns with the application and on February 25, 2010, the Department  
23 scheduled a pre-license examination and provided advanced notice to  
24 Respondents of the pre-license examination.

25 15. On March 25, 2010, a Department Examiner and Department's Licensing

1 Division Director visited Respondents' place of business for a pre-license  
2 examination and in an attempt to gather additional outstanding licensing  
3 requirements. Respondents' interpreter accompanied Respondent Pangemanan.

4 16. During the on-site visitation, the Department confirmed Respondent  
5 Indotransfer was already engaging in unlicensed money transmitter activity  
6 with New Hampshire consumers. Respondent Pangemanan was operating as a sole  
7 proprietor doing business as Respondent Indotransfer.

8 17. Respondent Pangemanan estimated he had conducted approximately one  
9 thousand (1,000) money transmissions for New Hampshire consumers but did not  
10 retain all of the records. The records Respondents have maintained are all  
11 written in Indonesian.

12 18. For the purposes of the on-site examination and for the Department's  
13 records, Respondents typed out a detailed list of transactions from January  
14 28, 2009 to February 27, 2010, which contained three hundred ninety-six  
15 (396) transmissions totaling \$159,085.00. Respondent Pangemanan also  
16 provided daily transmission totals from January 2009 through February 27,  
17 2010, which total to 4,931 transmissions with a total fee collected, which  
18 should now be disgorged, of \$73,560.00.

19 19. Respondent Pangemanan informed the Department that Respondent  
20 Indotransfer maintains bank accounts with a credit union in New Hampshire,  
21 Bank of America and three banks in Indonesia. Respondent Indotransfer  
22 maintains balances in its Indonesian accounts. New Hampshire consumers  
23 conduct business with Respondents to wire money. Respondents deposit New  
24 Hampshire consumers' money into U.S. bank accounts. Respondent Pangemanan  
25 then wires the money from Respondents' Indonesian bank account to the

1 recipient's Indonesian bank account and therefore, fronts the money for the  
2 transaction. Respondents then wait until they have a significant sum of  
3 money in the local U.S. account and then wire it to Respondents' Indonesian  
4 account(s). Respondents have conducted unlicensed money transmitter activity  
5 for New Hampshire consumers without a license, in violation of RSA 399-G:3.

6 20. On April 2, 2010, the Department's Licensing Division wrote to  
7 Respondent Indotransfer and Respondent Pangemanan requesting additional  
8 information.

9 21. On April 7, 2010, the Department receives a letter from Respondents  
10 withdrawing their New Hampshire Money Transmitter license application.

11 22. Respondent Pangemanan has indicated to the Department he has ceased  
12 conducting unlicensed New Hampshire Money Transmitter activity and is only  
13 active with his registered delegate registration through another Department  
14 money transmitter licensee.

15  
16  
17 \_\_\_\_\_ /s/  
18 Maryam Torben Desfosses  
19 Hearings Examiner

\_\_\_\_\_  
20 *October 4, 2011*  
21 Date

22 **ORDER**

23 23. **I hereby find as follows:**

24 a. Pursuant to RSA 399-G:18,I, the facts as alleged above, if true,  
25 show Respondents are operating or have operated in violation of RSA Chapter  
399-G and form the legal basis for this Order;

b. Pursuant to 399-G:20,VI, this Order is necessary and appropriate  
to the public interest and for the protection of consumers and consistent

1 with the purpose and intent of New Hampshire banking laws;

2 c. The Department finds pursuant to RSA 399-G:19,II, reasonable  
3 cause to issue an order to cease and desist; and

4 d. Pursuant to RSA 399-G:18,I and RSA 399-G:19,I and II, if any  
5 Respondent fails to respond to this Order and/or defaults then all facts as  
6 alleged herein are deemed as true.

7 **24. Accordingly, it is hereby ORDERED that:**

8 a. Respondents shall cease and desist from violating RSA Chapter  
9 399-G and rules or orders thereunder;

10 b. Respondents shall immediately cease money transmission activity  
11 for or to New Hampshire consumers until such time as Respondents are  
12 properly and actually licensed under RSA 399-G as a New Hampshire Money  
13 Transmitter;

14 c. Respondents shall immediately cease running any and all  
15 advertisements (including print, television, radio and any website) geared  
16 or directed towards New Hampshire consumers;

17 d. Respondents shall show cause why the Commissioner should not  
18 enter an order of rescission, restitution, or disgorgement of profits for at  
19 least \$73,560.00;

20 d. Respondents shall show cause why an administrative fine of up to  
21 a maximum of \$2,500.00 per violation should not be imposed as follows:

22 (1). Respondent Indotransfer:

23 Violation #1: Unlicensed money transmitter activity (RSA  
24 399-G:3) - 4,931 Counts;

1 (2). Respondent Pangemanan:

2 Violation #1: Unlicensed money transmitter activity (RSA  
3 399-G:3) - 4,931 Counts;

4 e. Nothing in this Order:

5 (1). shall prevent the Department from taking any further  
6 administrative and legal action as necessary under New Hampshire law; and

7 (2). shall prevent the New Hampshire Office of the Attorney  
8 General from bringing an action against the above named Respondent in any  
9 New Hampshire superior court, with or without prior administrative action by  
10 the Commissioner.

11 **SO ORDERED.**

12 \_\_\_\_\_ /s/

Dated: 10/4/11

13 RONALD A. WILBUR  
14 BANK COMMISSIONER