

1 State of New Hampshire Banking Department

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3 In re the Matter of: ) Case No.: 07-077  
 )  
 4 State of New Hampshire Banking ) Order To Show Cause  
 )  
 5 Department, )  
 )  
 6 Petitioner, )  
 )  
 7 and )  
 )  
 8 Precash Inc., )  
 )  
 9 Respondent )  
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11 NOTICE OF ORDER

12 This Order commences an adjudicative proceeding under the provisions of  
13 RSA 541-A:31, RSA 399-G, and BAN 204.03.

14 LEGAL AUTHORITY AND JURISDICTION

15 Pursuant to RSA 399-G:18, the Commissioner of the New Hampshire Banking  
16 Department (hereinafter "the Department") may issue an Order to Show Cause  
17 why a license should not be revoked, suspended, or penalties imposed or both.  
18 RSA 399-G:18 states that the Department may issue such Order when a licensee  
19 engages in any practice which violates the Chapter. RSA 399-G:21 states the  
20 Commissioner may impose penalties of up to \$2,500 per violation of the  
chapter.

21 Pursuant to RSA 383:10-d the Commissioner shall investigate conduct that  
22 is or may be an unfair or deceptive act or practice under RSA 358-A and exempt  
23 under RSA 358-A:3, I or that may violate any of the provisions of Titles XXXV  
24 and XXXVI and administrative rules adopted thereunder. The commissioner may  
25 hold hearings relative to such conduct and may order restitution for a person

1 or persons adversely affected by such conduct. The Commissioner may utilize  
2 all remedies available under the Act.

3 **NOTICE OF RIGHT TO REQUEST A HEARING**

4 The above named respondent has the right to request a hearing on this  
5 Order to Show Cause, as well as the right to be represented by counsel. Any  
6 such request for a hearing shall be in writing, and signed by the respondent  
7 or by the duly authorized agent of the above named respondent, and shall be  
8 delivered either by hand or certified mail, return receipt request, to the  
9 Banking Department, State of New Hampshire, 64B Old Suncook Road, Concord, NH  
03301.

10 If respondent fails to request a hearing or respond to the show cause  
11 order within 30 calendar days of receipt of this order, respondent shall be  
12 deemed in default, and the penalties requested will be imposed.

13  
14 **STATEMENT OF ALLEGATIONS, APPLICABLE LAWS AND REQUEST FOR RELIEF**

15 The Staff Petition dated April 2, 2007 (a copy of which is attached  
16 hereto) are incorporated by reference hereto.

17 **ORDER**

18 WHEREAS, finding it necessary and appropriate and in the public  
19 interest, and consistent with the intent and purposes of the New Hampshire  
20 banking laws, and

21 WHEREAS, finding that the allegations contained in the Staff Petition,  
22 if proved true and correct, form the legal basis of the relief requested,

23 It is hereby ORDERED, that:

- 24 1. The Respondent shall show cause why penalties for their  
25 activity prior to licensure should not be imposed; and
2. Failure to request a hearing within 30 days of the date of  
receipt of this Order shall result in a default judgment being

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rendered and administrative penalties being imposed upon the  
defaulting Respondent.

SIGNED,

Dated: 4/2/07

/s/  
PETER C. HILDRETH  
BANK COMMISSIONER

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State of New Hampshire Banking Department

In re the Matter of: ) Case No.: 07-077  
 )  
 State of New Hampshire Banking ) Staff Petition  
 Department, )  
 )  
 Petitioner, )  
 )  
 ) April 2, 2007  
 and )  
 )  
 Precash Inc., )  
 )  
 Respondent )  
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STATEMENT OF ALLEGATIONS

I. The staff of the Banking Department, State of New Hampshire (hereinafter referred to as the "Department") alleges the following facts:

- 1. Respondent is a money transmitter business within the definition of RSA 399-G:1.
- 2. Respondent has a principal place of business of 1800 West Loop South Suite 1400, Houston Texas and has 113 authorized delegates in the state of New Hampshire.
- 3. Respondent was subject to licensure pursuant to RSA 399-G which was signed into law on June 19, 2006 and made effective on August 18, 2006.
- 4. Respondent submitted their license application on January 8, 2007.
- 5. At that time the application was missing disclosure information on two individuals.
- 6. Licensure was further delayed because background check forms were not notarized.

1 7. After all deficiencies were addressed the license was issued with an  
2 effective date of March 7, 2007.

3 8. Respondent admitted that between August 18, 2006 and March 26, 2007  
4 they engaged in 23,284 transactions with New Hampshire consumers for a  
5 total amount of \$2,661,370.32.

6 9. Upon information and belief such transactions are substantially  
7 proportionate over time and therefore approximately 21,282 transactions  
8 occurred during the unlicensed period.

9 II. The staff of the Banking Department, State of New Hampshire alleges the  
10 following issues of law:

11 1. The Banking Department ("Department"), has jurisdiction over the  
12 licensing and regulation of persons engaged in Money Transmission  
13 business pursuant to NH RSA 399-G:2.

14 2. RSA 399-G:21 IV provides that any person who, either knowingly or  
15 negligently, violates any provision of RSA 399-G, may upon hearing, and  
16 in addition to any other penalty provided for by law, be subject to  
17 suspension, revocation, or denial of any registration or license, or an  
18 administrative fine not to exceed \$2,500, or both. Each of the acts  
19 specified shall constitute a separate violation, and such  
20 administrative action or fine may be imposed in addition to any  
21 criminal penalties or civil liabilities imposed by New Hampshire  
22 banking laws. Respondent is subject to revocation and/or  
23 administrative fines for violations of RSA 399-G.

23 **RELIEF REQUESTED**

24 The staff of the Banking Department requests the Commissioner take the  
25 following action:

1. Find as fact the allegations contained in section I of the Statement of

