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COMMONWEALTH OF PENNSYLVANIA 2012 SEP 17 PM 3: 24  
DEPARTMENT OF BANKING

PA DEPT OF BANKING

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING, BUREAU  
OF COMPLIANCE AND LICENSING

v.

FIRMA FOREIGN EXCHANGE  
CORPORATION (U.S.) LTD

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: Docket No.: 12 0078 (ENF-CO)  
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CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking ("Department") Bureau of Compliance and Licensing ("Bureau"), has reviewed the business practices of FIRMA Foreign Exchange Corporation (U.S.) Ltd. ("FIRMA") and its officers, employees and directors. Based on the results of its review, the Bureau found that FIRMA violated the act known as the Money Transmitter Act, Act of 1965, P.L. 490, No. 249, *as amended*, 7 P.S. § 6101 *et seq.* ("MTA"). The parties to the above-captioned matter, in lieu of litigation and for purposes of settlement, hereby stipulate that the following statements are true and correct, and intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order ("Order").

**BACKGROUND**

1. The Department is the Pennsylvania administrative agency authorized and empowered to administer and enforce the MTA.
2. The Bureau is primarily responsible for administering and enforcing the MTA for the Department.

3. FIRMA's principal place of business is located at 160 Greentree Drive, Suite 101, Dover, Delaware 19904-7620.

4. FIRMA engages in the business of exchanging foreign currency for corporate customers, including customers located in Pennsylvania.

5. FIRMA exchanges foreign currency, in pertinent part, by allowing consumers to purchase foreign funds through placement of a "spot order" via telephone and then FIRMA wires or delivers the funds to the consumers.

6. FIRMA charges its customers a fee for the service.

7. After commencing its business in Pennsylvania, FIRMA performed its own internal regulatory study to ascertain compliance with various laws, including Pennsylvania laws.

8. As a result of this study, FIRMA ascertained that it needed a money transmitter license to engage in the foreign exchange currency business in Pennsylvania.

9. Consequently, in March 2012 FIRMA contacted the Bureau and informed the Bureau that it planned apply for a money transmitter license.

10. FIRMA disclosed to the Bureau that since January 1, 2011 it processed foreign exchange transactions in Pennsylvania.

11. After disclosing its activities to the Bureau, FIRMA voluntarily ceased its money transmission activity and submitted an application for a money transmitter license with the Department.

12. On July 19, 2012 the Department issued FIRMA a money transmitter license, license # 38212.

13. FIRMA has been very cooperative with the Bureau by fully disclosing its activities, ceasing money transmitting activities until properly licensed and by promptly applying for a license upon ascertaining that a license was necessary.

#### VIOLATION

14. Section 2 of the MTA provides, in relevant part, that “[n]o person shall engage in the business of transmitting money by means of a transmittal instrument for a fee or other consideration without first having obtained a license from the Department of Banking. . . .” 7 P.S. § 6102.

15. A transmittal instrument is “any check, draft, money order, personal money order or *method for the payment of money* or transmittal of credit. . . .” 7 P.S. § 6101 (emphasis added).

16. FIRMA engaged in the business of transmitting money by means of a transmittal instrument for a fee when it exchanged currency for customers located in Pennsylvania.

17. FIRMA does not meet any of the exemptions to licensure contained in the MTA. *See* 7 P.S. §§ 6103, 6104.

18. From January 1, 2011 through March 2012 FIRMA engaged in unlicensed activity in violation of Section 2 of the MTA when it exchanged currency for Pennsylvania corporate customers.

19. The Department may fine persons that violate the provisions of the MTA an amount of “up to two thousand dollars for each offense.” 7 P.S. § 6116.

#### RELIEF

20. Fine. Within 30 days of the Effective Date of this Order as set forth in Paragraph 27, FIRMA shall pay to the Department a fine in the amount of \$15,000.00. Payment shall be remitted by certified check or money order and made payable to the “Department of Banking”

and shall be sent to the attention of Licensing Division, Bureau of Compliance and Licensing located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

21. Corrective Action. FIRMA shall maintain its money transmitter license with the Department as long as it engages in the business of transmitting money by means of a transmittal instrument for a fee or other consideration on behalf of Pennsylvania consumers.

#### FURTHER PROVISIONS

22. Consent. FIRMA hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MTA and agrees that it understands all of the terms and conditions contained herein. FIRMA, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

23. Publication. The Department will publish this Order pursuant to its authority in Section 302.A.(5) of the Department of Banking Code. 71 P.S. §733-302.A.(5).

24. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Bureau and FIRMA.

25. Binding Nature. The Department, FIRMA, and all officers, owners, directors, employees, heirs and assigns of FIRMA intend to be and are legally bound by the terms of this Order

26. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

27. Effectiveness. FIRMA hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (“Effective Date”).

28. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against FIRMA in the future regarding all matters not resolved by this Order.

(b) FIRMA acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

29. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

30. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

31. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

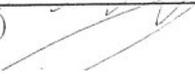
WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking, Bureau of Compliance and Licensing and FIRMA Foreign Exchange Corporation (U.S.) LTD intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING  
BUREAU OF COMPLIANCE AND LICENSING

\_\_\_\_\_  
Robert Knaub  
Enforcement Administrator  
Department of Banking

Date: 9/17/12

FOR FIRMA FOREIGN EXCHANGE CORPORATION (U.S.) LTD

\_\_\_\_\_  
(Officer Signature) 

\_\_\_\_\_  
(Print Officer Name) /

President & CEO  
(Title)

Date: Sept. 14/12