

**STATE OF NEBRASKA**  
**Department of Banking & Finance**

IN THE MATTER OF:	)	FINDINGS OF FACT
Travelex Currency Services, Inc.,	)	CONCLUSIONS OF LAW
2121 North 117 <sup>th</sup> Avenue, Suite 300,	)	AND
Omaha, Nebraska	)	CONSENT ORDER

THIS MATTER comes before the Nebraska Department of Banking and Finance (“DEPARTMENT”), by and through its Director, pursuant to its authority under the Nebraska Sale of Checks and Funds Transmission Act, Neb. Rev. Stat. §§ 8-1001 through 8-1017 (Reissue 1997; Cum. Supp. 2006) (“the Act”). Pursuant to Neb. Rev. Stat. §§ 8-1009 and 8-1012.01 (Cum. Supp. 2006), and Neb. Rev. Stat. § 8-1,154 (Reissue 1997), the DEPARTMENT has investigated the actions of Travelex Currency Services, Inc., 2121 North 117<sup>th</sup> Avenue, Suite 300, Omaha, Nebraska (“TRAVELEX”). As a result of such investigation, and being duly advised and informed in the matter, the Director and TRAVELEX enter into the following Findings of Fact, Conclusions of Law, and Consent Order.

**FINDINGS OF FACT**

1. The DEPARTMENT issued a Sale of Checks and Funds Transmission License (“license”) to TRAVELEX on October 20, 1995. TRAVELEX renewed the license annually on July 1<sup>st</sup> since 1995 as required by Neb. Rev. Stat. § 8-1009 (Cum. Supp. 2006). The DEPARTMENT issued a provisional license to TRAVELEX effective July 1, 2008, pending resolution of this matter.

2. On June 28, 2007, TRAVELEX submitted its 2007 Application to Renew Sale of Checks and Funds Transmission License (“2007 Renewal Application”) to the DEPARTMENT. Question #7 of the 2007 Renewal Application stated as follows:

If the Applicant is licensed or registered, or has ever been licensed or registered, to transact business in any other state(s) under a similar license, has Applicant been subject to a federal or state administrative investigation or order, or law enforcement office investigation or order in any such state(s) within the last year? . . . If yes, give full details.

3. TRAVELEX answered “No” to Question #7 on its 2007 Renewal Application.

4. TRAVELEX submitted its 2008 Application to Renew Sale of Checks and Funds Transmission License (“2008 Renewal Application”) on June 20, 2008. The DEPARTMENT modified the 2008 Renewal Application form, including a slight change to the wording of Question #7 which stated as follows:

If the Applicant is licensed or registered, or has ever been licensed or registered, to transact business in any other state(s) under a similar license, has Applicant ever been subject to a federal or state administrative investigation or order, or law enforcement office investigation or order in any such state(s), if not previously disclosed? . . . If yes, give full details.

5. TRAVELEX answered “No” to Question #7 on its 2008 Renewal Application.

6. During its review of TRAVELEX’s 2008 Renewal Application, the DEPARTMENT learned that the New Hampshire Department of Banking (“NH DEPARTMENT”) had taken administrative actions against TRAVELEX.

7. On May 2, 2007, the NH DEPARTMENT issued an Order to Show Cause to TRAVELEX alleging that TRAVELEX had engaged in business as a money transmitter in New Hampshire prior to obtaining the required license. The Order to Show Cause specifically noted that the “Order commences an adjudicative proceeding . . . .”

8. On June 11, 2007, TRAVELEX and the NH DEPARTMENT entered into a Consent Agreement resolving the issues raised in the Order to Show Cause.

TRAVELEX agreed to pay an administrative assessment of \$10,000.00 to resolve the allegations raised in the Order to Show Cause.

9. The NH DEPARTMENT's Order to Show Cause and the Consent Order constituted a state administrative investigations or orders. Therefore, TRAVELEX was required to disclose the NH DEPARTMENT's actions in connection with Question #7 of the 2007 and 2008 Renewal Applications. TRAVELEX's failure to disclose the NH DEPARTMENT proceeding constituted the omission of material information to the DEPARTMENT. TRAVELEX represents that such omission was inadvertent as a result of personnel changes.

10. The DEPARTMENT has incurred a minimum of one thousand dollars (\$1,000.00) in investigation costs in this matter.

### **CONCLUSIONS OF LAW**

1. Neb. Rev. Stat. § 8-1002 (Cum. Supp. 2006) provides that no person shall engage in the business of selling checks, as a service or for a fee or other consideration, without having first obtained a license under the Nebraska Sale of Checks and Funds Transmission Act.

2. Neb. Rev. Stat. § 8-1004(2) (Cum. Supp. 2006) provides that in order to grant a license, the DEPARTMENT must determine that the financing responsibility, financial condition, business experience, character, and general fitness of the applicant shall be such as reasonably to warrant the belief that an applicant's business will be conducted honestly, carefully, and efficiently.

3. Neb. Rev. Stat § 8-1109 (Cum. Supp. 2006) provides that each licensee shall, annually on or before July 1 of each year, file a license renewal application and pay to the Director a license fee of two hundred fifty dollars.

4. Neb. Rev. Stat. § 8-1007 (Cum. Supp. 2006) provides that upon receipt of an application, filing fee, and surety bond, the Director shall investigate to ascertain whether the qualifications prescribed by Section 8-1004 have been met.

5. Neb. Rev. Stat. § 8-1012(1) (Cum. Supp. 2006) provides in part that the Director may, following a hearing under the Administrative Procedure Act, suspend or revoke a license issued under the Nebraska Sale of Checks and Funds Transmission Act on any ground on which he or she may refuse to grant a license or for violation of the Act, for failure to pay an annual fee, or for the failure or refusal of a licensee to comply with any order, decision, or finding of the Director made pursuant to the Act.

6. Neb. Rev. Stat. § 8-1,134(2) (Reissue 1997) provides, in part, that the Director may impose a fine, in addition to the costs of the investigation, upon a person found to have violated any provision of the Act. The fine shall not exceed ten thousand dollars (\$10,000.00) per violation for the first offense and twenty-five thousand dollars (\$25,000.00) per violation for a second or subsequent offense involving a violation of the same provision of Nebraska statutes.

7. The above Findings of Fact contain information which indicates that TRAVELEX omitted material information in connection with its 2007 Renewal Application and 2008 Renewal Application. Omitting material information on an Application is a violation of the Act. As such, grounds exist which if they had existed at

the time of TRAVELEX's initial application for a license, would have warranted denial of such license application.

8. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that TRAVELEX has violated the Act and that proceedings to revoke TRAVELEX's license could be initiated and/or that an administrative fine could be imposed in accordance with Neb. Rev. Stat. § 8-1,134(2) (Reissue 1997).

9. Under the Act's statutory framework, the Director has the legal and equitable authority to fashion significant remedies.

10. It is in the best interest of TRAVELEX and in the best interest of the public for TRAVELEX and the DEPARTMENT to resolve the issues included herein.

### **CONSENT ORDER**

The DEPARTMENT and TRAVELEX agree as follows:

Stipulations: In connection with this Consent Order, TRAVELEX and the DEPARTMENT stipulate to the following:

1. The DEPARTMENT has jurisdiction as to all matters herein.
2. This Consent Order shall resolve all matters between the DEPARTMENT and TRAVELEX in connection with the Findings of Fact listed above. Should future circumstances warrant, the facts from this matter may be considered in a future administrative action by the DEPARTMENT.
3. This Consent Order shall be in lieu of all other proceedings available to the DEPARTMENT, except as specifically referenced in this Consent Order.

TRAVELEX further represents as follows:

1. TRAVELEX is aware of its right to a hearing on these matters at which it may be represented by counsel, present evidence, and cross-examine witnesses. The right to such a hearing, and any related appeal, is irrevocably waived.

2. TRAVELEX is acting free from any duress or coercion of any kind or nature.

3. This Consent Order is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for the purpose of this Consent Order and for no other purpose.

IT IS THEREFORE AGREED as follows:

1. Within ten (10) days after the effective date of this Consent Order, TRAVELEX shall pay an assessment of five thousand dollars (\$5,000.00) for omitting material information to the DEPARTMENT on its 2007 Renewal Application and 2008 Renewal Application by omitting the action by the NH DEPARTMENT in response to Question #7 of such Renewal Applications.

2. Within ten (10) days after the effective date of this Consent Order, TRAVELEX shall pay the DEPARTMENT's investigation costs in the amount of one thousand dollars (\$1,000.00).

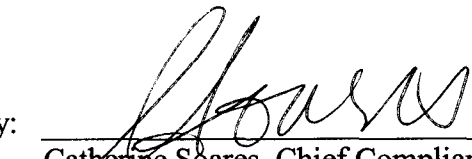
3. The total amount of the assessment and investigation costs, six thousand dollars (\$6,000.00), shall be payable in one check or money order to the DEPARTMENT.

4. Within five (5) business days after TRAVELEX pays the assessment and investigation costs, the DEPARTMENT shall replace TRAVELEX's Provisional License with a Non-Provisional License for the remainder of the current licensing term.

5. The effective date of this Consent Order shall be the date of the Director's signature.

DATED this 13 day of November, 2008.

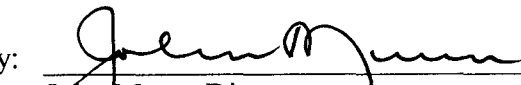
**Travelex Currency Services, Inc.**

By:   
Catherine Soares, Chief Compliance Officer

2121 North 117<sup>th</sup> Avenue, Suite 300  
Omaha, NE 68164  
(402) 491-0014

DATED this 17<sup>th</sup> day of November, 2008.

**STATE OF NEBRASKA  
DEPARTMENT OF BANKING AND FINANCE**

By:   
John Munn, Director

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(402) 471-2171