

ORDER NO. 2016-019

IN THE MATTER OF:	§	BEFORE THE BANKING
	§	
FOREIGN CURRENCY CO. LLC	§	
FORT MEYERS, FLORIDA	§	
	§	COMMISSIONER OF TEXAS
AND	§	
	§	
SOUTH WEST SERVICES, LLC	§	
APPLETON, WISCONSIN	§	AUSTIN, TRAVIS COUNTY, TEXAS

ORDER TO CEASE AND DESIST ACTIVITY

On this day, the matter of Foreign Currency Co. LLC, Fort Meyers, Florida, and South West Services, LLC, Appleton, Wisconsin (collectively, Respondents), was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

Findings of Fact

1. Foreign Currency Co. LLC (FCC) is a limited liability company that operates its business at 12801 Commerce Lakes Drive, Suite 13, Fort Meyers, Florida 33913.
2. South West Services, LLC (SWS) is a limited liability company that operates its business at 1835 East Edgewood Drive, Suite 105302, Appleton, Wisconsin 54913.
3. Respondents own and operate Currency Liquidator, which is accessible on the Internet at www.currencyliquidator.com.
4. The Texas Department of Banking (Department) has not licensed either FCC or SWS to engage in the business of money transmission or advertise, solicit, or hold themselves out as persons who engage in money transmission.
5. The Currency Liquidator website offers three services: customers can buy currencies, sell currencies, and place currencies on layaway. To buy currency, a customer selects a currency, denomination and amount for purchase, provides his or her shipping and billing addresses, selects a shipping method and confirms the order. The customer must then

send a money order or cashier's check to SWS, or send funds via Western Union or a wire transfer. Once the payment clears, the currency is mailed to the customer.

6. To sell a currency, a customer selects a currency, denomination and number of notes to sell. Currency Liquidator provides an "expected offer range" and once the currency is received, the offer is confirmed via email based on that day's exchange rate. If the customer accepts the offer, a check is mailed to the address the customer provided at checkout.
7. To purchase currency via the "Premium+ Layaway Program," a customer selects a currency, denomination, amount for purchase, and the length of time to pay off the purchase (either 30 or 45 days). The customer then provides his or her shipping and billing addresses and confirms the order. The customer must immediately send a non-refundable "Premium Layaway Fee" to SWS via a money order or cashier's check to cover the cost of sourcing and storing the currency layaway order. The customer must then send the final payment within the specified time period and once the payment clears, the currency is mailed to the customer.
8. During the checkout process on the Currency Liquidator website, each customer must provide his or her name, billing and shipping addresses — including city, state/province, postal code and country — and phone number. Customers are able to select Texas as their state for both their billing and shipping address. Therefore Currency Liquidator's services are available to Texas residents.
9. On November 3, 2015, the Department sent a letter to FCC asking for information about money transmission activities that FCC appeared to be providing for persons in Texas via the Currency Liquidator website.
10. On December 11, 2015, FCC agreed to apply for a money transmission license.

11. On January 15, 2016, the Department received a money transmission license application from FCC.
12. On January 28, 2016, FCC's application was returned as incomplete and unacceptable for filing. The application demonstrated several deficiencies, including insufficient net worth to meet statutory requirements. The letter notifying FCC that its application was being returned contained a warning that "Foreign Currency Co. LLC must immediately cease all unlicensed money transmission in Texas or the Department may pursue enforcement actions. Foreign Currency Co. LLC may not continue to operate in Texas while it prepares and resubmits its application."
13. On February 2, 2016, FCC notified the Department that it would not be resubmitting its application.
14. On February 8, 2016, the Department received a letter from FCC stating that FCC had ceased conducting business in Texas and had updated the Currency Liquidator website to refuse Texas transactions.
15. On February 16, 2016, the Department tested the Currency Liquidator website to confirm that it has been configured to refuse Texas transactions. On that date, Texas remained available in the drop down menus for both the billing and shipping address sections. This problem was brought to the attention of FCC that day, and FCC stated that the website would be updated by the next day.
16. On February 18, 2016, the Department re-tested the Currency Liquidator website and confirmed that Texas had been removed from all drop down menus.
17. On February 23, 2016, the Department wrote to FCC to confirm information about transactions that FCC had completed in Texas. On February 24, 2016, FCC confirmed that it had not completed any Texas transactions through the Currency Liquidator

website. FCC stated that although it received “orders from Texas customers weekly,” they were “always cancelled and contacted as to why within 24 hours of the order being placed. No customers are billed and no orders have been shipped” to Texas.

18. On March 2, 2016, the Department confirmed that it would take no further action against FCC.
19. On September 13, 2016, the Department received an automated email from Currency Liquidator announcing that “Currency Liquidator is pleased to offer the first comprehensive Iraqi Dinar Layaway Program that’s fully compliant.” The Department went to the Currency Liquidator website to get more information about this layaway program and found that Texas was once again available in the drop down menus for billing and shipping addresses.
20. On September 14, 2016, the Department received another automated email from Currency Liquidator stating that “Currency Liquidator has been purchased by South West Services, a much larger financial services company.”
21. SWS has not applied for a money transmission license.
22. Under Texas Finance Code § 151.301(b)(4), money transmission is defined as “the receipt of money or monetary value by any means in exchange for a promise to make the money or monetary value available at a later time or different location.” In any given transaction, Respondents receive money or monetary value in exchange for a promise to send an equivalent amount of money to a different location. Under the definitions provided in §151.301(b), this activity constitutes money transmission.

Conclusions of Law

1. The Commissioner is authorized by Texas Finance Code § 151.702 to issue a cease and desist order to an unlicensed person whom the Commissioner believes is engaging or is likely engaging in an activity for which a license is required by Chapter 151.
2. The Commissioner finds by credible evidence that Respondents are violating Texas Finance Code § 151.302 by engaging in the business of money transmission in Texas without a license, as described above.
3. The Commissioner finds this violation constitutes sufficient cause under Texas Finance Code § 151.702 for issuance of an order to cease and desist from conducting any money transmission in Texas.

Order

In accordance with Texas Finance Code §§ 151.302 and 151.702, Respondents are ORDERED to cease and desist from engaging in the unauthorized business of a money services business in Texas, including advertising to and solicitation of persons in Texas, whether conducted through Respondents' activities or through those of others. Respondents are further ORDERED to configure the website currencyliquidator.com to refuse customer registration or transactions from persons located in Texas until such time as Respondents obtain the required license, and to confirm to the Department in writing, within seven days of the effective date of this Order, that it has been completed. Respondents are further ORDERED to confirm to the Department in writing, within fourteen days of the effective date of this Order, that any pending transactions with Texas customers that were outstanding on the effective date of this Order have been completed or funds have been returned to the original customer.

Effective Date

Pursuant to Texas Finance Code §§ 151.702 and 151.709, this Order to Cease and Desist Activity takes effect twenty one days after the date it is mailed.

Notice of Right to Hearing

Under Texas Finance Code § 151.709, Respondents have the right to request a hearing on this Order. If Respondents wish to file such a request, it must be made in writing and must be submitted to the Commissioner no later than the twentieth day after the date this Order is mailed to Respondents.

Signed on this 13th day of October, 2016.

/s/ Stephanie Newberg for
Charles G. Cooper
Banking Commissioner of the State of Texas

Certificate of Service

Pursuant to Texas Finance Code § 151.709(b)(3), this Order to Cease and Desist Activity will be served on Respondents by first class mail and certified mail, return receipt requested, sent on October 14th, 2016 to:

Mr. Ryan Sasser
Foreign Currency Co. LLC
12801 Commerce Lakes Drive, Suite 13
Fort Myers, Florida 33913

Mr. Ryan Albright
South West Services, LLC
1835 E. Edgewood Drive, Suite 105302
Appleton, Wisconsin 54913

Mr. Ryan Albright
South West Services, LLC
100 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202

Dan County Title Company, LLC
Registered Agent for South West Services, LLC
901 S. Whitney Way
Madison, Wisconsin 53711