

**STATE OF CALIFORNIA**

**DEPARTMENT OF BUSINESS OVERSIGHT**

In the Matter of

FIRST GLOBAL MONEY, INC., )  
Respondent. )

FINAL ORDER  
(Financial Code Section 2148)

Pursuant to Financial Code section 2148, the Commissioner of Business Oversight (Commissioner) hereby orders:

1. First Global Money, Inc. (Respondent), formerly known as Samsco's Express Money Transfer, Inc., shall discontinue all unsafe practices as follows:
  - A. Within ninety (90) days from the effective date of this Order, Respondent shall eliminate and/or correct all apparent violations of law, as more fully set forth in the Report of Examination, dated September 8, 2014. In addition, Respondent shall take all necessary steps to ensure future compliance with all applicable laws and regulations.
  - B. Provision A notwithstanding, effective immediately, Respondent shall comply with the eligible security requirements of Financial Code section 2081.
  - C. Within fifteen (15) days of the date of this Order, Respondent shall provide the Commissioner with a plan that ensures maintenance of sufficient eligible securities at all times. The plan should adequately provide for monitoring of eligible securities and specify actions to correct and mitigate eligible securities shortfalls immediately through increases of liquid assets. If applicable, any credit facilities or borrowing arrangements established should be documented in a formal, written agreement. The plan and its implementation shall be in a form and manner acceptable to the Commissioner.
  - D. Within thirty (30) days of the date of this Order, and at all times thereafter until further instructed, Respondent shall achieve and maintain tangible shareholders' equity (TSE) of not less than \$1,500,000 or 10% of total assets, whichever is higher.

- E. Commencing with the fiscal year 2014, within 90 days after the end of each fiscal year until further instructed, Respondent shall cause to be prepared and submitted to the Department the annual audited financial statements of its parent company, First Global Data Corp., or any successor company that owns or controls the Respondent. The annual audited financial statements shall be prepared in accordance with International Financial Reporting Standards. Respondent shall also report all areas where these International Financial Reporting Standards prepared financial statements would materially differ had they been prepared in accordance with United States generally accepted accounting principles.
- F. Respondent shall on or before the twenty-first day of each month submit to the Commissioner, in Excel format, a trial balance of its general ledger as of the end of the previous month.
- G. Respondent shall on or before the twenty-first day of each month submit to the Commissioner, in Excel format, an agent receivables aging report as of the end of the previous month. The report shall include a list of all accounts due from receiving agents, showing amounts owed to Respondent as of the end of the previous month. The aging report should be summarized in: 0-3 days, 4-10 days, 11-15 days, 16-30 days, 31-45 days, 46-90 days, 91-120 days, 121-365 days, and over 365 days. The report shall be in a form satisfactory to the Commissioner.
- H. Respondent shall on or before the twenty-first day of each month submit to the Commissioner a calculation of its allowance for bad debt reserve as of the end of the previous month. This calculation shall be conducted in a manner acceptable to the Commissioner. Minimally, in calculating its allowance for bad debt reserve, Respondent shall take into consideration the quality, collateral support, and collectability of the asset in addition to the number of days past due.
- I. Effective immediately, Respondent shall by Friday of each week submit to the Commissioner a Liquidity Report. Such report shall include, at a minimum, the following:
  - (1) a daily summary of Respondent's eligible securities calculation from Monday to Thursday of that week; (2) the projected eligible securities calculation for Friday thru Monday of the next week; (3) the outstanding balance of any borrowings listed Monday to Thursday, with estimated needs for Friday to Monday of the next week; (4) the available amount of committed borrowing facilities Monday to Thursday, with the estimated availability for Friday to Monday of the next week; (5) the amount of available committed capital sources, and (6) any other reporting as required by the Commissioner pursuant to Financial Code section 2122. The report shall be in a form satisfactory to the Commissioner.

- J. Effective immediately, Respondent's agent supervision program shall require an onsite visit and review of each California agent by a field compliance employee at least once every 12 months for all California agents who either: a) conduct an average of \$5,000 in transactions or more per month (\$60,000 per year) in the preceding 12 month period; or b) primarily service a beneficiary jurisdiction with Basel ranking of 6.5 or higher. The Basel AML ranking, an independent rating of country money laundering/terrorist financing risk utilized by the Respondent as a factor for determining agent risk, may be found at <http://index.baselgovernance.org>. The field compliance employee's salary shall not be tied to sales, commissions, or the recruitment of agents, and those field compliance employees shall report directly to the Respondent's compliance officer. The results of onsite visits should be documented in an agent visit report which, at a minimum, details the scope and results of the review. The report shall be in a form satisfactory to the Commissioner.
- K. Within fifteen (15) days of the date of this Order, Respondent shall establish an inter-company transaction agreement with its parent company. The inter-company transaction agreement should detail the purpose, repayment terms, and any collateral, for inter-company fees and services provided. The agreement shall be in a form satisfactory to the Commissioner.
- L. Respondent will continue to submit to the Commissioner by the twentieth day of each month a company-prepared balance sheet, income statement, and average daily transmission liability report as of the end of the previous month. The income statement shall contain sufficient detail to identify trends and levels of material expenses, such as: salaries, agent commissions, and provisions for bad debt. Refer to the Department's electronic Call Report for a suggested format. The statements and report shall be in a form satisfactory to the Commissioner.
- M. Within thirty (30) days of the end of each quarter, Respondent shall furnish a progress report to the Commissioner detailing the form and manner of all actions taken to comply with the provisions of this Order.
2. This Order is effective immediately and replaces the Final Order dated January 6, 2014. Violation of any provision of this Order will be deemed to be conducting business in an unsafe manner and will subject the Respondent to further regulatory enforcement action. The Commissioner reserves the right to amend, revoke or rescind this Order, in whole or in part.

Dated: March 18, 2015

/s/

JAN LYNN OWEN  
Commissioner of Business Oversight