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BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

In the Matter of

CITCON USA LLC

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)
) ORDER OF EXEMPTION
) (Fin. Code, § 2011)
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THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION

(“COMMISSIONER”) FINDS THAT:

- 1. Citcon USA LLC (“Citcon”) offers a payment processing service to merchants located in California (“Merchants”).
- 2. Merchants have appointed Citcon to act as their agent in connection with this service.
- 3. Citcon facilitates payments to Merchants by Chinese citizens or residents (“Chinese Consumers”), who pay for goods and services in California by sending their money in China to China-based payment processors, Alipay and WeChatPay (“Transactions”).
- 4. The Transactions are limited to processing payments by Chinese Consumers.
- 5. California and U.S. citizens may not use the Transactions.
- 6. Chinese Consumers receive their goods or services at the time of payment.
- 7. The agreement between Citcon and Merchants, regarding the Transactions, provides that Merchants have no recourse against Chinese Consumers for nonpayment if Citcon fails to deliver payment to Merchants.
- 8. The exemption of the Transactions is in the public interest, and the regulation of such Transactions is not necessary.

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BASED UPON THE FOREGOING, it is hereby ORDERED, that pursuant to Financial Code section 2011, the Transactions provided by Citcon USA LLC, as described above, are exempt from Division 1.2 of the Financial Code (the Money Transmission Act).

This order is to remain in full force and effect until further order of the Commissioner.

DATED: November 9, 2020
San Francisco, California

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

By _____/s/_____
ROBERT VENCHIARUTTI
Deputy Commissioner,
Money Transmitter Division