ORDER SUMMARY Consumer Services Division Case Number C-24-3742

Temporary Orders to Cease and Desist require individuals or companies to temporarily stop doing things, usually things that could harm or have harmed consumers. The individual or company has the right to contest the Order at an administrative hearing. If the individual or company does not contest the temporary order, it will become permanent when DFI issues a Final Order.

Name	Sigue Corporation, NMLS # 915912
Order Number	C-24-3742-24-TD01
Date issued	March 15, 2024

What does this Temporary Order to Cease and Desist require?

- Respondent must immediately cease and desist accepting any new business for Washington residents and not resume service to Washington residents without prior approval from DFI.
- Respondent must transmit or refund its current outstanding money transmissions for Washington residents.
- Respondent must cooperate with DFI and provide full access to info and records requested by DFI.
- Respondent must maintain an adequate surety bond.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or <u>csenforcecomplaints@dfi.wa.gov</u>. *Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.*

1	STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS CONSUMER SERVICES DIVISION		
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5	IN THE MATTER OF DETERMINING Whether there has been a violation of the	NO. C-24-3742-24-TD01	
6	Uniform Money Services Act of Washington by:		
7			
8	SIGUE CORPORATION, NMLS # 915912,	TEMPORARY ORDER TO CEASE AND DESIST	
9	Respondent.		
10			
11	THE STATE OF WASHINGTON TO: Sigue Corporation		
12	COMES NOW the Director of the Washington State Department of Financial Institutions		
13	(Director), by and through his designee Ali Higgs, Acting Division of Consumer Services Director		
14	(designee), and finding that the public is likely to be substantially injured by delay in issuing a		
15	cease and desist order, enters this temporary order to cease and desist pursuant to chapter 19.230		
16	RCW, the Uniform Money Services Act (Act), based upon the following:		
17			
18	I. FACTUAL ALLEGATIONS		
19	1.1 Respondent. Sigue Corporation (Respondent) is a money transmitter located		
20	in Sylmar, California. Respondent was licensed by the Department of Financial Institutions'		
21	Division of Consumer Services (Department), to conduct business as a money transmitter on		
22	or about November 21, 2003, and continues to be licensed as of the date of this Temporary		
23	Order to Cease and Desist (Order).		
24	1.2 Unsafe and Unsound Practices.		
25	TEMPORARY ORDER TO CEASE AND DESIST 1 C-24-3742-24-TD01 SIGUE CORPORATION	DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Rd SW PO Box 41200	

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Suspended Payment of Obligations. On or about February 29, 2024, 1 A. 2 the Department, along with other state regulators, met with Respondent due to numerous 3 allegations that Respondent was not fulfilling customer obligations or responding to agent 4 and customer inquiries. During this meeting, Respondent indicated its plan to wind down 5 business operations because the enterprise was no longer profitable, and its attempts to sell 6 the business were unsuccessful. Respondent reported that as of January 30, 2024, 7 Respondent suspended payments of its obligations to its customers and represented that 8 customer obligations would be fulfilled. On the same day, February 29, 2024, Respondent 9 sent the Department a notice of license surrender. 10 **B**. Outstanding Washington Customer Obligations. On or about 11 March 5, 2024, Respondent sent an email to the Department stating Respondent ceased 12 business operations by January 30, 2024. As of February 24, 2024, Respondent represented 13 14 that there were around 514 Washington customers with a total volume of around \$149,096. 15 C. Financial Condition. On or about March 12, 2024, during a meeting 16 with the Department and other state regulators, Respondent represented that they do not have 17 the funds to fulfill customer transactions. 18 **II. GROUNDS FOR ENTRY OF ORDER** 19 2.1 Based upon the facts set forth in Section I, Respondent is in violation of RCW 20 19.230.340(2) for engaging in an unfair or deceptive practice, including engaging in conduct 21 which creates the likelihood of material loss, insolvency, or dissipation of the licensee's 22 assets, or otherwise materially prejudices the financial condition of the licensee or the 23 interests of its customers. See RCW 19.230.010(29). 24 25 TEMPORARY ORDER TO CEASE AND DESIST 2 DEPARTMENT OF FINANCIAL INSTITUTIONS C-24-3742-24-TD01 Division of Consumer Services SIGUE CORPORATION 150 Israel Rd SW PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703

2.2 Based on the Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.230.330 for failing to transmit the monetary equivalent of all money or equivalent value received from a customer for transmission, net of any fees, or issue instructions committing the money or its monetary equivalent, to the person designated by the customer within ten business days after receiving the money or equivalent value.

III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST

3.1 Authority to Issue Temporary Order to Cease and Desist. Pursuant to RCW 19.230.260, the Director is authorized to issue a temporary order to cease and desist whenever the Director determines that a violation of this chapter or of a rule adopted or an order issued under this chapter by a licensee, authorized delegate, or other person subject to this chapter is likely to cause immediate and irreparable harm to the licensee, its customers, or the public as a result of the violation, or cause insolvency or significant dissipation of the assets of the licensee. The director may issue a temporary order to cease and desist requiring the licensee, authorized delegate, or other person subject to this chapter to cease and desist from conducting business in this state or to cease and desist from the violation or undertake affirmative actions as are necessary to comply with this chapter, any rule adopted under this chapter, or order issued by the director under this chapter. The order is effective upon service upon the licensee, authorized delegate, or other person subject to this chapter.

IV. FINDINGS AND ORDER

Based upon the above facts, Grounds for Entry of Order, and Authority to Issue Temporary Order to Cease and Desist, and pursuant to RCW 19.230.260, the Director determines Respondent's conduct set forth in Section I above is likely to cause immediate and irreparable harm to the licensee, its customers, or the public as a result of the violations. TEMPORARY ORDER TO CEASE AND DESIST 3 DEPARTMENT OF FINANCIAL INSTITUTIONS C-24-3742-24-TD01 SIGUE CORPORATION Division of Consumer Services 150 Israel Rd SW PO Box 41200

Olympia, WA 98504-1200

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1 Therefore, the Director ORDERS that:

2	4.1 Respondent Sigue Corporation shall immediately cease and desist accepting			
3	any new business for Washington residents and shall not resume service to Washington			
4	consumers without the prior approval of the Department. This does not prohibit Respondent			
5	Sigue Corporation from returning funds to Washington residents.			
6	4.2 Respondent Sigue Corporation shall undertake these affirmative actions:			
7	A. Transmit or refund its current outstanding money transmission			
8	liabilities for Washington consumers as required by the Act; and for those funds it is unable			
9 10	to transmit or refund, segregate the funds in a secure account designated for distribution or			
10	escheatment (see chapter 63.29 RCW).			
11	B. Cooperate with the Department and provide full access to information			
13	and records at the request of the Department.			
14	C. Maintain an adequate surety bond.			
15	4.3 This order shall take effect immediately and shall remain in effect unless set			
16	aside, limited, or suspended in writing by an authorized court.			
17	NOTICE			
18	PURSUANT TO CHAPTER 19.230 RCW, YOU ARE ENTITLED TO A HEARING			
19	TO DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU			
20	DESIRE A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR			
21	ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE.			
22				
23	FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE			
24 25	HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN TWENTY (20) DAYS OF THE DATE THAT THIS ORDER WAS			
23	TEMPORARY ORDER TO CEASE AND DESIST 4 DEPARTMENT OF FINANCIAL INSTITUTIONS C-24-3742-24-TD01 Division of Consumer Services SIGUE CORPORATION 150 Israel Rd SW PO Box 41200 Olympia, WA 98504-1200 (360) 902-8703			

