

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____	)	
STC and LAM Inc.; Tien Tran; Stella Lam; and	)	
Huy Lam; License Reference No. 0806694.	)	AMENDED ORDER TO SHOW
_____		CAUSE

TO: STC and Lam Inc.
3821 S. Main Road,
Vineland, New Jersey 08360

Tien Tran
1128 South 2nd St.
Philadelphia, PA 19147

Stella Lam
3821 S. Main Road,
Vineland, New Jersey 08360

Huy Lam
3821 S. Main Road,
Vineland, New Jersey 08360

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that STC and Lam Inc., Tien Tran, Stella Lam, and Huy Lam (collectively, “Respondents”) may have violated various provisions of the New Jersey Money Transmitters Act, N.J.S.A. 17:15C-1 to -27 (“Act”); and

WHEREAS, STC and Lam Inc. is a New Jersey corporation with the principal place of business at 3821 S. Main Road, Vineland, New Jersey 08360, which was incorporated in 1994; and

WHEREAS, Stella Lam and Huy Lam are the sole owners of STC and Lam Inc.; and

WHEREAS, Tien Tran is a former mutual friend of Stella Lam and Huy Lam and an undisclosed director, officer and manager of STC and Lam Inc.; and

WHEREAS, from July 30, 2009 until June 4, 2021, Stella Lam and Huy Lam were licensed by the Department of Banking and Insurance (“Department”) as a foreign money transmitter, license reference number 0806694; and

WHEREAS, Respondents are subject to the provisions of the Act; and

WHEREAS, on May 11, 2022, the Commissioner issued Order to Show Cause OCF22-21 against Stella Lam, Huy Lam, and STC and Lam Inc. for their violations of the Act; and

WHEREAS, subsequent to the issuance and service of the Order to Show Cause, Stella Lam and Huy Lam contacted the Department and provided verbal statements concerning the allegations of the Order to Show Cause; and

WHEREAS, in their statements to the Department, Stella Lam and Huy Lam revealed new information warranting the issuance of this Amended Order to Show Cause; and

WHEREAS, pursuant to N.J.S.A. 17:15C-10, each licensee, shall make, keep and preserve business books, accounts and other records for a period of three years; and

WHEREAS, pursuant to N.J.S.A. 17:15C-16(a), the Commissioner may suspend or revoke a licensee's license if the Commissioner finds that the licensee has made a material misstatement or suppressed or withheld information on the application for a license or any document required to be filed with the Commissioner; and

WHEREAS, pursuant to N.J.S.A. 17:15C-16(e), the Commissioner may suspend or revoke a licensee's license if the Commissioner finds that the licensee is conducting its business in an unsafe or unsound manner; and

WHEREAS, pursuant to N.J.S.A. 17:15C-16(i), the Commissioner may suspend or revoke a licensee's license if the Commissioner finds that the licensee refuses to permit the Commissioner to make any examination or investigation authorized by the Act; and

WHEREAS, pursuant to N.J.S.A. 17:15C-16(i), the Commissioner may suspend or revoke a licensee's license if the Commissioner finds that the licensee has willfully violated any provision of the Financial Crimes Enforcement Network ("FinCEN") regulations, 31 C.F.R. 1010.100 to 1060.800; and

WHEREAS, pursuant to N.J.S.A. 17:15C-22, if, after notice and hearing, the Commissioner finds that a person has violated any provision of the Act, the Commissioner may order the person to pay the Commissioner a civil penalty in an amount not to exceed \$5,000.00 for each violation; and

WHEREAS, pursuant to 31 C.F.R. 1010.100(ff)(5), the term "money services business" includes, among others, any person engaged in money transmitter business, whether or not on a regular basis or as an organized business concern; and

WHEREAS, pursuant to 31 C.F.R. 1022.380(a)(1), each money services business (whether or not licensed as a money services business by any State) must register with FinCEN; and

COUNT 1

IT APPEARING that sometime in 2008, Tien Tran solicited Stella Lam and Huy Lam to open a money transmitter business and stated that he would assist the Lams in the operation of the business; and

IT FURTHER APPEARING that in August 2008, Tien Tran completed the money transmitter license application which Huy Lam then signed on behalf of STC and Lam Inc.; and

IT FURTHER APPEARING that despite the fact that STC and Lam Inc. is a corporation, in the application form, Respondents indicated that STC and Lam Inc. was a general partnership and that Stella Lam and Huy Lam were the sole general partners; and

IT FURTHER APPEARING that in the application documents, Respondents did not disclose to the Department that Tien Tran was a director, officer and manager of the money transmitter business; and

IT FURTHER APPEARING that on July 30, 2009, the Department issued a foreign money transmitter license, Reference No. 0806694, to Stella Lam and Huy Lam; and

IT FURTHER APPEARING that after obtaining the license, Tien Tran continued to act as a director, officer and manager of STC and Lam Inc.; and

IT FURTHER APPEARING that Respondents never informed the Department that Tien Tran was in fact a director, officer and manager of the business; and

IT FURTHER APPEARING that by failing to inform the Department that Tien Tran was in fact a director, officer and manager of the business, Respondents violated N.J.S.A. 17:15C-16(a); and

COUNT 2

IT FURTHER APPEARING that despite operating a money transmitter business since July 2009, Respondents never registered with FinCEN as a money services business, as required by 31 C.F.R. 1022.380(a)(1); and

IT FURTHER APPEARING that by failing to register with FinCEN as a money services business, Respondents conducted business in an unsafe or unsound manner, in violation of N.J.S.A. 17:15C-16(e), and willfully violated FinCEN regulations, in violation of N.J.S.A. 17:15C-16(k); and

COUNT 3

IT FURTHER APPEARING that in June 2013, the Department attempted to conduct an examination of Respondents; and

IT FURTHER APPEARING that in furtherance of the examination, the Department requested that Respondents produce their business books and records for the period from January 2007 through December 2012; and

IT FURTHER APPEARING that Respondents failed to produce any requested books and records; and

IT FURTHER APPEARING that by failing to comply with the 2013 examination, Respondents violated N.J.S.A. 17:15C-16(i); and

COUNT 4

IT FURTHER APPEARING that in October 2018, the Department attempted to conduct another examination of Respondents; and

IT FURTHER APPEARING that in furtherance of the examination, the Department requested that Respondents produce their business books and records for the period from January 2013 through October 2018; and

IT FURTHER APPEARING that Respondents failed to produce any requested books and records; and

IT FURTHER APPEARING that by failing to comply with the 2018 examination, Respondents violated N.J.S.A. 17:15C-16(i); and

NOW, THEREFORE, IT IS on this 14 day of February 2023,

ORDERED that, pursuant to N.J.S.A. 17:1-15(j), Respondents appear and show cause why their surrendered foreign money transmitter license shall not be revoked, pursuant to N.J.S.A. 17:15C-16; and

IT IS FURTHER ORDERED that Respondents appear and show cause why the Commissioner should not assess a civil penalty of not more than \$5,000.00, jointly and severally, for each violation of the Act, pursuant to N.J.S.A. 17:15C-22; and

IT IS FURTHER ORDERED that Respondents have the right to request an administrative hearing, to be represented by counsel or other qualified representative, at their own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER ORDERED that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondents and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by mailing the request to Paulette Sibblies-Flagg, OCF Investigations Unit, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey 08625 or by electronic mail to paulette.sibblies-flagg@dob.nj.gov. A copy of the request for a hearing shall also be sent to Deputy Attorney General Garen Gazaryan at P.O. Box 117, Trenton, New Jersey 08625 or by electronic mail to garen.gazaryan@law.njoag.gov. The request shall contain the following:

- A. Respondents' full names, addresses, and daytime telephone numbers;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondents have no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and

D. A statement requesting a hearing.



Marlene Caride
Commissioner