

IN THE MATTER OF:

_____	)	CONSENT ORDER WITH
STC and LAM Inc.; Tien Tran; Stella Lam; and	)	STC AND LAM INC., STELLA LAM
Huy Lam; License Reference No. 0806694.	)	AND HUY LAM

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

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, 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

WHEREAS, the Commissioner issued the Amended Order to Show Cause OCF23-04 on February 14, 2023, alleging the following violations of the Act:

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

WHEREAS, Respondents were given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS neither Respondent filed an Answer or requested a hearing; and

WHEREAS after the issuance of the Amended Order to Show Cause, Stella Lam, Huy Lam, and STC and Lam Inc. (the “Lam Respondents”), contacted the Department’s counsel and expressed an interest to resolve this matter; and

WHEREAS the Lam Respondents admit and agree to take responsibility for the aforementioned violations of the Act; and

WHEREAS the Lam Respondents have waived their right to a hearing on this matter and consent to payment of a penalty in the total amount of \$15,000.00; and

WHEREAS this matter against the Lam Respondents should be resolved upon the consent of all parties without resort to a formal hearing; and

WHEREAS this matter against the remaining Respondent – Tien Tran – will proceed as a default action, and the Final Order by Default will be issued against Tien Tran only; and

WHEREAS good cause exists to impose a civil penalty in this matter against the Lam Respondents; and

NOW, THEREFORE, IT IS on this 22 day of August 2023,

IT IS ORDERED AND AGREED that simultaneously with execution of this Consent Order by Respondents, the Lam Respondents shall pay a civil penalty in the amount of \$15,000.00 for the violations admitted to herein by certified check, official bank check, or money order made payable to the “State of New Jersey,” which shall be sent to counsel for the Department; and

IT IS FURTHER ORDERED AND AGREED that the Lam Respondents shall cease and desist from engaging in the conduct that gave rise to this Consent Order, and from any other violations of the Act; and

IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision against the Lam Respondents only and constitute final resolution of the violations contained herein against the Lam Respondents only.

A handwritten signature in cursive script, reading "Justin Zimmerman", positioned above a horizontal line.

Justin Zimmerman
Acting Commissioner

CONSENTED TO AS TO FORM, CONTENT AND ENTRY:

Stella Lam
Stella Lam

Date: 08/08/2023

Huy Lam
Huy Lam

Date: 08/08/2023

Stella Lam
By:
(On behalf of STC and Lam Inc.)

Date: 08/08/2023

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Counsel for NJDOBI

Garen Gazaryan
By: Garen Gazaryan
Deputy Attorney General

Date: 08/08/2023