

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

CASE NO. C-08-010
ORDER NO. C-08-010-08-01

JOM CORP
D/B/A MAS Majapara Services

RESPONDENT

ORDER TO SHOW CAUSE AND NOTICE OF HEARING ON CIVIL PENALTY

The Arkansas Securities Department ("Department") undertook an investigation into the money transmission activities of JOM Corp ("JOM"). As a result of the investigation, the Department submitted its Request for an Order to Show Cause and Request for Civil Penalty ("Request") on February 20, 2008. The Request alleges that JOM has violated Ark. Code Ann. § 23-55-201 of the Arkansas Uniform Money Services Act.

The Arkansas Securities Commissioner has reviewed the Request, and upon the representations made therein, finds:

FINDINGS OF FACT

1. The Department's Request asserts the following representations of fact through its pleading and the Affidavit of Kurt Sims:
 - (A) JOM Corp ("JOM") is organized under the laws of Texas, with its principal office located at 4909 C. Ross Avenue, Dallas, Texas 75206. According to records maintained by the Arkansas Secretary of State, JOM is a foreign corporation authorized to do business in the State of Arkansas.
 - (B) JOM is a money transmitter and is licensed as such in a number of states, including Texas, California, and North Carolina.

- (C) JOM holds itself out to the public on its Internet website, which is located at <http://www.jomcorporation.com>, as a money transfer company.
- (D) Through a routine investigation, the Department learned that an Arkansas person could use JOM's money transfer services to transmit money abroad at a physical location located in Little Rock, Arkansas.
- (E) JOM has not been licensed or applied to be licensed as a money transmitter or a currency exchanger in Arkansas.
- (F) The Department contacted JOM at (877) 677-0535, a number listed on JOM's website. A representative of JOM informed the Department that an Arkansas person could transmit money abroad through its agent located in Little Rock. The representative stated that the agent's name was La Tapatia and gave the Department La Tapatia's telephone number.
- (G) On February 1, 2008, the Department verified by telephone by calling La Tapatia that La Tapatia was conducting money transmission services.
- (H) On February 11, 2008, the Department drove to La Tapatia's physical location and discovered a sign advertising MAS Majapara Services posted prominently on the front of the building housing La Tapatia.

- (I) According to records maintained by the North Carolina Commissioner of Banks, MAS Majapara Services is a fictitious name for JOM. JOM has not registered a fictitious name in Arkansas according to records maintained by the Arkansas Secretary of State.
- (J) On February 18, 2008, the Department contacted La Tapatia at (501) 565-3707. A representative of the business, who identified herself as "Rosie," stated that an Arkansas person could transmit money to Mexico if he could provide to La Tapatia a driver's license and the amount of cash he wanted to transmit.
- (K) La Tapatia is an authorized delegate of Orlandi Valuta, a company licensed to engage in money transmission in Arkansas, within the meaning of Ark. Code Ann. § 23-55-102(2).
- (L) The Department has reason to believe that La Tapatia is also an authorized delegate of JOM.

CONCLUSIONS OF LAW

2. "Money transmission" means selling or issuing payment instruments, stored value, or receiving money or monetary value for transmission. Ark. Code Ann. § 23-55-102(12).

3. Ark. Code Ann. § 23-55-201(a) provides "[a] person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person: (1) is licensed under this subchapter or approved to engage in money transmission under § 23-55-203; (2) is an authorized delegate of a

person licensed under this subchapter; or (3) is an authorized delegate of a person approved to engage in money transmission under § 23-55-203.” To obtain a license, an application must be submitted to the Arkansas Securities Commissioner. Ark. Code Ann. § 23-55-202.

4. The Commissioner has the authority to issue an order to show cause why an order to cease and desist should not issue requiring that JOM cease and desist from violation of Ark. Code Ann. § 23-55-201. Ark. Code Ann. § 23-55-807.

5. The Commissioner has the authority to assess a civil penalty against JOM in an amount not to exceed \$1,000 per day for each day the violation is outstanding, plus the Department’s costs and expenses for the investigation and prosecution of the matter, including reasonable attorney’s fees. Ark. Code Ann. § 23-55-805.

ORDER

IT IS ORDERED that JOM show cause why it should not be ordered to cease and desist from advertising, soliciting, and holding itself out as providing money transmission in Arkansas until JOM complies with the Arkansas Uniform Money Services Act, Ark. Code Ann. § 23-55-101 *et seq.*; to cease and desist from doing business as a money transmitter in Arkansas until JOM complies with the Arkansas Uniform Money Services Act, Ark. Code Ann. § 23-55-101 *et seq.*

IT IS FURTHER ORDERED that JOM shall show cause within thirty (30) days of date of this Order.

IT IS FURTHER ORDERED that a hearing on the matters set forth in the Department’s Request, including the assessment of a civil penalty pursuant to Ark. Code

Ann. § 23-55-805, shall take place on April 7, 2008, at 10:00 a.m., central time at the following location:

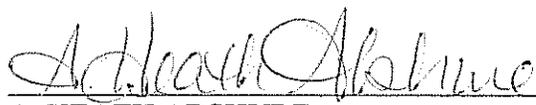
Arkansas Securities Department
Plaza Level Conference Room
201 East Markham Street
Little Rock, Arkansas 72201

IT IS FURTHER ORDERED that all requests or submissions in connection with the hearing, including any request to modify the date or time of the hearing; to participate telephonically rather than through personal appearance; or to waive the right to the hearing, shall be submitted in writing to the Commissioner at the following address:

Arkansas Securities Commissioner
201 East Markham, Suite 300
Little Rock, Arkansas 72201

IT IS FURTHER ORDERED that at the hearing, the Department shall present evidence supporting its Request and JOM and its attorneys shall have the opportunity to respond and present evidence on all issues presented at the hearing. All witness testimony taken at the hearing will be under oath in the presence of a court reporter.

IT IS SO ORDERED.

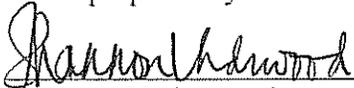


A. HEATH ABSHURE
ARKANSAS SECURITIES COMMISSIONER

07-20-2008

DATE

Order prepared by:



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