State Regulators Order Sigue Corp. to Cease Money Transmission Activities

PRESS RELEASES

State Regulators Order Sigue Corp. to Cease Money Transmission Activities

March 22, 2024
|
Download PDF
Share:

Sigue Corp. Failed to Satisfy Outstanding Money Transmission Liabilities, Violating State Law

Washington, D.C. — Today, financial regulatory agencies from 39 states, Puerto Rico, and the District of Columbia ordered Sigue Corp. to cease engaging in any further money transmission activities as the company can no longer responsibly serve customers due to its declining financial position.

Sigue is a state-regulated money transmission company that has held licenses in nearly all states (NMLS ID 915912). Over the past several months, Sigue experienced significant financial deterioration. The company failed to complete multiple money orders and transmissions and maintain adequate net worth and permissible investments to cover outstanding liabilities, constituting violations of state money transmission law. Many customers are still waiting for their funds.

State regulators identified Sigue's troubled financial position through multi-state coordination efforts led by Arkansas, Georgia, Massachusetts, Texas, and Vermont. The Money Transmission Regulators Association (MTRA) and the Conference of State Bank Supervisors (CSBS) helped states coordinate the consent order.

"This coordinated state action will help customers get resolution more quickly and prevent Sigue from serving any new customers regardless of where they live," said North Dakota Department of Financial Institutions Commissioner and Conference of State Bank Supervisors Chair Lise Kruse. "On behalf of CSBS, I want to thank MTRA for assisting the states with acting quickly to protect consumers and secure their funds."

The consent order requires the company to preserve and provide access to all books and records, including information on impacted customers. States will use signed declarations by the company to file bond claims on behalf of impacted customers or assist them with the claims process. The state surety bond claim process is designed to help make impacted consumers whole.

"By combining the states' collective enforcement power, we are providing impacted consumers nationwide with one common resolution," said Arkansas Securities Department Consumer Services Director and MTRA Vice President Karyn Tierney. "This consent order means states with one impacted customer can provide the same remedy as states with thousands. It also preserves states' ability to take additional actions on customers' behalf as investigations continue at the state and federal level."

Consumers who have been impacted or believe they may have been impacted should contact their state financial regulator.

State financial regulators license and supervise more than 33,000 nonbank financial services companies through the Nationwide Multistate Licensing System & Registry (NMLS), including money services businesses, mortgage companies, consumer finance providers, and debt collectors. Consumers can submit complaints about nonbank financial services companies by contacting their state financial regulator. Consumers can also verify that a company or financial professional is licensed to do business in their state and view past enforcement actions by visiting NMLS Consumer Access.

Media Contact: Laura Fisher | 202-812-9813 | lfisher@csbs.org

X: @CSBSNews

The Conference of State Bank Supervisors (CSBS) is the national organization of financial regulators from all 50 states, American Samoa, District of Columbia, Guam, Puerto Rico, and U.S. Virgin Islands. State regulators supervise roughly three-quarters of all U.S. banks and a variety of non-depository financial services. CSBS, on behalf of state regulators, also operates the Nationwide Multistate Licensing System to license and register non-depository financial service providers in the mortgage, money services businesses, consumer finance and debt industries.