STATE OF CALIFORNIA

DEPARTMENT OF BUSINESS OVERSIGHT

In the Matter of ABS-CBN GLOBAL REMITTANCE, INC. Respondent	))))))	FINAL ORDER (Financial Code section 2148)

Pursuant to Financial Code section 2148, the Commissioner of Business Oversight (Commissioner) hereby orders:

1. Within sixty (60) days of the date of this Order, ABS-CBN Global Remittance, Inc. (Respondent) shall develop, adopt and implement accounting control procedures to ensure accurate and reliable financial reporting and compliance with United States generally accepted accounting principles. To prevent misstatements and minimize repeated errors made in its financial statements and call reports, Respondent shall establish accounting policies and procedures to streamline its reporting and review process. In addition, Respondent shall designate an executive officer of Respondent who is qualified to manage and oversee Respondent's accounting function, and who will verify, in writing, as true and correct, the accuracy of the financial statements submitted to the Commissioner.

2. Within thirty days (30) days of the date of this Order, Respondent shall provide documentation to the Commissioner validating the appropriate charge-off of the delinquent receivables classified in the Report of Examination for the examination beginning February 17, 2015 (ROE) as over one year past due as required by Financial Code section 2040(d).

3. Within thirty days (30) days of the date of this Order, Respondent shall provide documentation to the Commissioner validating the appropriate charge-off of the delinquent receivables classified Loss in the ROE that were under one year, but lacked identified repayment sources, collateral, and/or a repayment plan, including the non-performing assets classified Loss on page 16 of the ROE.

4. Within thirty days (30) days of the date of this Order, Respondent shall revise, adopt and implement its: (i) methodology for estimating its allowance for doubtful receivables to more accurately reflect its actual losses; and (ii) charge-off policy to

comply with Financial Code section 2014. Respondent shall provide the Commissioner with copies of the revised methodology and charge-off policy and copies of the minutes of the meetings of Respondent's Board of Directors (Board) at which the revised methodology or charge-off policy where discussed or approved by the Board.

5. Within sixty days (60) days of the date of this Order, Respondent shall develop, adopt and implement policies and procedures to insure that Respondent's agents comply fully with the provisions of Financial Code section 2060(e) regarding money due from agents to Respondent for money transmission activity by the agents and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board.

6. Within sixty days (60) days of the date of this Order, Respondent shall develop, adopt and implement policies and procedures for the handling and management of accounts receivable, loan, or other extension of credit to any one entity, counterparty, obligator or debtor that equals or exceeds 20 percent of Respondent's tangible net worth, in accordance with Condition 18 of its Conditions of Approval, dated July 15, 2010, (Conditions of Approval), a copy of which is attached and marked as "Attachment A" and incorporated into this Order by this reference, and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board.

7. Within thirty days (30) days of each fiscal year-end of ABS-CBN International, Inc. (Parent), Respondent shall provide to the Commissioner a copy of the signed engagement letter between Parent and the accounting firm contracted to perform the financial audit of Parent's immediately prior fiscal year. The engagement letter shall specifically require the accounting firm to perform the audit in accordance with details outlined in Condition 19 of the Conditions of Approval.

8. Within sixty days (60) days of the date of this Order, Respondent shall develop, adopt and implement policies and procedures for the monitoring and management of its California agents who conduct an average of $100,000 or more in transactions per month ($1.2 million or more per year) in the preceding twelve (12) month period, in accordance with Condition 21 of the Conditions of Approval, and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board.

9. Within sixty days (60) of the date of this Order, Respondent shall perform an onsite visitation of the all the qualifying agents to determine compliance with Respondent's policies for agent conduct, prepare a written report of the results of the visitation for each location and provide a copy of each report to the Commissioner.

10. Within sixty (60) days of the date of this Order, Respondent shall correct the call report deficiencies noted in the ROE and re-file the six call reports from June 30, 2013 through September 30, 2014 in which the deficiencies were noted. Respondent shall review and follow the Call Report Instructions at http://www.dbo.ca.gov/forms/tma/callreport.asp when it prepares its call reports.

11. Within sixty days (60) days of the date of this Order, Respondent shall develop, adopt and implement a written plan (including the names of responsible parties, staffing/resources, viable timelines) detailing its strategy for providing all of its active agents with the training materials on recognizing elder and dependent adult financial abuse and how to respond to suspected fraudulent transactions (Elder Financial Abuse Prevention Plan) in order to comply with Financial Code section 2043, and provide a copy of the Elder Abuse Prevention Plan to the Commissioner with minutes of the meetings of the Board at which the Elder Abuse Prevention Plan was discussed or approved.

12. Within sixty days (60) days of the date of this Order, Respondent shall provide to the Commissioner documentation satisfactory to the Commissioner validating that the consumer complaint disclosure notice required to be posted by Financial Code section 2105 has been provided to all of its active agents, and that each agent has agreed to comply with Financial Code section 2105.

13. Within sixty (60) days of the date of this Order, Respondent shall develop, adopt and implement policies and procedures for the escheatment of unclaimed property to ensure due diligence, reporting and remittance procedures are followed, and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board. Respondent shall also establish control procedures to prevent using unclaimed properties as business income or other purposes.

14. Within sixty (60) days of the date of this Order, Respondent shall provide to the Commissioner a copy of its revised pro-forma budget statements for its fiscal years 2015 and 2016.

15. Within ninety (90) days of the date of this Order, Respondent shall review, update, and approve its Anti-Money Laundering compliance program. Respondent shall enhance and standardize its Know Your Customer, Know Your Agent, Enhanced Due Diligence, Currency Transaction and Suspicious Activity regulatory reporting policies and procedures and transaction limit(s) within the Anti-Money Laundering compliance program to ensure reliable and complete recordkeeping and reporting for all future transactions, and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board. Respondent shall follow all

of its policies and procedures, regardless of whether long-established customers and agents are involved, and ensure that its policies and procedures are reviewed, revised if needed, and approved by the Board on a regular basis, at least annually.

16. Within sixty (60) days of the date of this Order, Respondent shall review, update and enhance its Managing Remittance Agents policy and procedures, including, but is not limited to, Know Your Agent, Enhanced Due Diligence, risk tolerance parameters and scoring (credit, geographical, business, etc.), training, management and reporting, recordkeeping, communication, and ongoing oversight, and provide the Commissioner with a copy of the policies and procedures and the minutes of the meetings of the Board at which the policies or procedure were discussed or approved by the Board. Respondent shall follow all of its Managing Remittance Agents policies and procedures, regardless of whether long-established agents are involved, and ensure that its policies and procedures are reviewed, revised if needed, and approved by the Board on a regular basis, at least annually.

17. Within sixty (60) days of the date of this Order, Respondent shall provide to the Commissioner a plan (including the names of responsible parties, staffing/resources, and viable timelines) detailing its strategy for updating the agent contracts and agent files in accordance with (at least) the January 2015 version of Respondent's Managing Remittance Agents policy.

18. Within sixty (60) days of the date of this Order, Respondent shall submit to the Commissioner management's response to and a copy of the results provided by its consultant, Optima Compass Group, LLC, related to findings from the independent audit of Respondent's agent supervision program and the corrective actions taken by Respondent to address operational weaknesses noted in the ROE.

19. Within ninety (90) days of the date of this Order, Respondent shall establish or enhance vital company policies and procedures, including but not limited to accounting (i.e. bank reconciliations), emergency preparedness, disaster recovery, external crimes, risk assessment, operations, and internal controls. Respondent shall ensure that all company policies and procedures are reviewed, revised if needed and approved by the Board on a regular basis, at least annually.

20. Within sixty (60) days of this Order, Respondent shall improve and formalize its corporate governance by holding meetings of the Board in accordance with its bylaws and more often as needed to address the matters set forth in this Order, rather than acting only by written consent of the Board, and fully documenting corporate actions and decisions in the written minutes of the Board.

21. Respondent shall cease and desist from violating Condition 11 of the Conditions of Approval, which requires that on or before the tenth (10th) day of each month Respondent shall submit to the Commissioner a report as of the end of the previous month indicating the total number of transactions, the total dollar amount received

for transmission abroad, and the average daily transmission liability, in accordance with Condition 11 of its Conditions of Approval.

22. Respondent shall cease and desist from violating Condition 12 of the Conditions of Approval, which requires that on or before the tenth (10th) day of each month, and until further notice, Respondent shall submit to the Commissioner a balance sheet and income statement as of the previous month.

23. Respondent shall cease and desist from violating the Demand Order, dated September 15, 2014, a copy of which is attached and marked as "Attachment B" and incorporated into this Order by this reference, which requires Respondent to submit, until further notice, on or before the tenth (10th) day of each month, to the Commissioner, an agents accounts receivable report as of the end of the previous month. Each report shall contain Respondent's calculation of its allowance for doubtful (agent) accounts calculation for that reporting period.

24. Within thirty (30) days of the end of each quarter, Respondent shall furnish a written progress report to the Commissioner. The report shall set forth the following details:

    (a) Actions taken to comply with each section of this Order;

    (b) The results of those actions; and

    (c) A description of actions remaining to be accomplished in order to achieve full compliance with each section of this Order.

This Order is effective immediately as of the date set forth below. Violation of any provision of this Order will be deemed to be conducting business in an unsafe manner and will subject Respondent to further regulatory enforcement action. The Commissioner reserves the right to amend, revoke or rescind this Order, in whole or in part.

Date: August 11, 2015

/S/

Jan Lynn Owen
Commissioner of Business Oversight