

(J) "MATERIAL LITIGATION" MEANS LITIGATION THAT ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES:

(1) IS DEEMED SIGNIFICANT TO AN APPLICANT'S OR LICENSEE'S FINANCIAL HEALTH; AND

(2) WOULD BE REQUIRED TO BE REFERENCED IN THE APPLICANT'S OR LICENSEE'S ANNUAL AUDITED FINANCIAL STATEMENTS, REPORT TO SHAREHOLDERS, OR SIMILAR DOCUMENT.

(K) "MONETARY VALUE" MEANS A MEDIUM OF EXCHANGE WHETHER OR NOT REDEEMABLE IN MONEY.

[(d)](L) (1) "Money transmission" means [the sale or issuance of] THE BUSINESS OF SELLING OR ISSUING payment instruments OR STORED VALUE DEVICES, OR RECEIVING MONEY OR MONETARY VALUE, FOR TRANSMISSION TO A LOCATION WITHIN OR OUTSIDE THE UNITED STATES BY ANY MEANS, [or engaging in the business of receiving money for transmission or transmitting money within the United States or to locations abroad by any means, including payment instruments, wire, facsimile, or electronic transfer] INCLUDING ELECTRONICALLY OR THROUGH THE INTERNET.

(2) "MONEY TRANSMISSION" INCLUDES:

(I) A BILL PAYER SERVICE;

(II) AN ACCELERATED MORTGAGE PAYMENT SERVICE; AND

(III) ANY INFORMAL MONEY TRANSFER SYSTEM ENGAGED IN AS A BUSINESS FOR, OR NETWORK OF PERSONS WHO ENGAGE AS A BUSINESS IN, FACILITATING THE TRANSFER OF MONEY OUTSIDE THE CONVENTIONAL FINANCIAL INSTITUTIONS SYSTEM TO A LOCATION WITHIN OR OUTSIDE THE UNITED STATES.

[(e)](M) "Outstanding PAYMENT INSTRUMENT" [means sold in the United States and reported to the licensee as not yet paid or transmitted.] MEANS A PAYMENT INSTRUMENT THAT HAS BEEN SOLD OR ISSUED IN THE UNITED STATES DIRECTLY BY A LICENSEE OR AN AUTHORIZED DELEGATE OF A LICENSEE THAT HAS BEEN REPORTED AS NOT YET PAID BY OR FOR THE LICENSEE.

[(f)](N) (1) "Payment instrument" means any ELECTRONIC OR WRITTEN check, draft, money order, traveler's check, or other ELECTRONIC OR WRITTEN instrument or [written] order for the transmission OR PAYMENT of money, sold or issued to one or more persons, whether or not [such] THE instrument is negotiable.

(2) "PAYMENT INSTRUMENT" [The term "payment instrument"] does not include any credit card voucher, letter of credit, or [instrument] TANGIBLE OBJECT redeemable by the issuer in goods or services.

[(g)](O) "Permissible investment" means:

(1) Cash;