

7-5-5 Revocation of trust authority -- Procedure.

- (1)
 - (a) The commissioner may issue and serve upon a trust company a notice of intent to revoke the authority of the trust company to exercise the powers granted by this chapter, if, in the commissioner's opinion, the trust company:
 - (i) is unlawfully or unsoundly exercising the powers granted under this chapter;
 - (ii) has unlawfully or unsoundly exercised the powers granted under this chapter;
 - (iii) has failed, for a period of five consecutive years, to exercise the powers granted by this chapter;
 - (iv) fails or has failed to comply with requirements upon which its permit is conditioned; or
 - (v) fails or has failed to comply with any rule of the commissioner.
 - (b) The notice shall:
 - (i) contain a statement of the facts constituting the alleged unlawful or unsound exercise of powers, or failure to exercise powers, or failure to comply; and
 - (ii) fix the time and place at which a hearing will be held to determine whether an order revoking authority to execute those powers should issue against the trust company.
- (2)
 - (a) If the trust company or its representative does not appear at the hearing, the commissioner may consider the trust company to be in default, and may issue a revocation order.
 - (b) If default has occurred, or if upon the record made at any hearing the commissioner finds that any allegation specified in the notice of charges has been established, the commissioner shall issue and serve upon the trust company an order:
 - (i) prohibiting it from accepting any new or additional trust accounts; and
 - (ii) revoking its authority to exercise any powers granted under this chapter.
 - (c) Any order issued under this section permits the trust company to continue to service all previously accepted trust accounts pending their expeditious divestiture or termination.
- (3) A revocation order shall become effective 30 days after service of the order upon the trust company and shall remain effective and enforceable, unless it is stayed, modified, terminated, or set aside by action of the commissioner or by judicial review as provided for in Section 7-1-714.

Amended by Chapter 9, 2001 General Session