

31A-15-107 Defense of action by unauthorized person.

- (1) Except under Subsection (3), no pleading, notice, order, or process in any action in court or in any administrative proceeding before the commissioner instituted against an unauthorized person under Sections 31A-2-309 and 31A-2-310 may be filed by or on behalf of the unauthorized person unless one of the following conditions exists:
 - (a) The unauthorized person deposits with the clerk of the court in which the action or proceeding is pending, or with the commissioner in administrative proceedings, cash, securities, or a bond with sureties in an amount fixed by the court or the commissioner, sufficient to secure the payment or performance of any probable final judgment or order.
 - (b) That person procures proper authorization to do an insurance business in Utah.
 - (c) The commissioner, after a hearing, issues an order stating that he is satisfied the person has funds or securities, in a state of the United States, in trust or otherwise, which are readily available and adequate to satisfy any probable final judgment or to perform in accordance with any order.
- (2) The court in any action or proceeding under this section, or the commissioner in any administrative proceeding under this section, may order any postponement he considers necessary to give the unauthorized person a reasonable opportunity to comply with Subsection (1).
- (3) Subsection (1) does not prevent an unauthorized person from filing a motion to quash a writ or to set aside service on the ground that the person has not done any of the acts specified under Subsection 31A-15-102(2).

Enacted by Chapter 242, 1985 General Session