

Effective 5/12/2015

7-25-204 License application -- Bond.

- (1) To apply for a license under this chapter, a person shall:
 - (a) submit an application in writing;
 - (b) pay the original license fee required by Section 7-1-401; and
 - (c) submit a surety bond in accordance with Subsection (3).
- (2) An application shall contain:
 - (a) the exact name of the applicant, the applicant's principal address, any fictitious or trade name used by the applicant in the conduct of its business, and the location of the applicant's business records;
 - (b) the history of the applicant's material litigation and criminal convictions for the seven-year period before the date the application is submitted;
 - (c) a description of the activities conducted by the applicant and a history of operations;
 - (d) a description of the business activities in which the applicant seeks to be engaged in the state;
 - (e) a list identifying the applicant's authorized agents in the state, if any, at the time of the filing of the license application;
 - (f) a sample authorized agent contract, if applicable;
 - (g) a sample form of payment instrument, if applicable;
 - (h) the one or more locations at which the applicant and its authorized agents, if any, propose to conduct the licensed activities in the state; and
 - (i) other information the commissioner requires by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (3)
 - (a) An applicant shall submit with an application filed under this chapter a surety bond satisfactory to the commissioner in the minimum sum of \$50,000 to reimburse the state for expenses of any kind or nature that the department may incur in connection with an administrative or judicial proceeding against a licensee, former licensee, or seller relating to the issuance or sale of a payment instrument in the state.
 - (b) A licensee shall maintain a surety bond meeting the requirements of Subsection (3)(a) for three years after the licensee ceases money transmission operations in the state. Except that the commissioner may permit the surety bond to be reduced or eliminated before the end of the three-year period to the extent that the amount of the licensee's payment instruments outstanding in this state are reduced.
 - (c) A surety bond shall remain in effect until cancellation, which may occur only after 30 days' written notice to the commissioner. Cancellation may not affect liability incurred or accrued during that period.

Enacted by Chapter 284, 2015 General Session