

RCW 30B.08.050 Required capital. (1) The director shall at time of application, to organize a state trust company, determine the minimum required initial capitalization of a proposed state trust company in the manner provided for in *RCW 30B.08.030(3)(b)(ii) and as further provided in this section.

(2) The director may consider the following safety and soundness factors when determining minimum required capital, including, but not limited to:

- (a) The nature and type of business conducted;
- (b) The nature and degree of liquidity in assets held in a corporate capacity;
- (c) The amount of fiduciary assets under management;
- (d) The type of fiduciary assets held and the depository of such assets;
- (e) The complexity of fiduciary duties and degree of discretion undertaken;
- (f) The competence and experience of management;
- (g) The extent and adequacy of internal controls;
- (h) The presence or absence of annual unqualified audits by an independent certified public accountant;
- (i) The reasonableness of business plans for retaining or acquiring additional capital;
- (j) The existence and adequacy of insurance obtained or held by the trust company for the purpose of protecting its clients, trust beneficiaries, and settlors;
- (k) The history of operating losses, if any;
- (l) The history of loss, if any, in relation to fiduciary or custodial accounts; and
- (m) The amount of support from the state trust company's parent or affiliate.

(3) The effective date of a written finding requiring an existing state trust company to increase its capital must be stated in the written finding as on or after the thirty-first day after the date the written finding is mailed or delivered. Unless the state trust company requests a hearing before the director before the effective date of the written finding, the order becomes effective and is final and nonappealable. This subsection does not prohibit an application to reduce capital requirements of a proposed or an existing state trust company.

(4) Subject to subsection (2) of this section, a state trust company to which the director issues a certificate of authority shall at all times maintain capital in at least the amount required under subsection (1) of this section, plus any additional amount or less any reduction the director directs under subsection (2) of this section.

(5) Notwithstanding any provision of this section, the director may establish by rule safety and soundness standards for minimum required capital, additional required capital, and reduction of capital, for a proposed or existing state trust company. [2014 c 37 § 326.]

***Reviser's note:** RCW 30B.08.030 was amended by 2019 c 389 § 7, changing subsection (3) to subsection (5).