

RCW 30B.10.190 Order of prohibition against third-party service providers—Grounds—Notice. (1) The director may issue and serve a state trust institution, or its affiliate, with written notice of intent to prohibit it from permitting a third-party service provider of such state trust institution or affiliate from participating in the conduct of the affairs of the state trust institution, whenever:

(a) The third-party service provider commits an unsafe or unsound practice, or a violation or practice involving a breach of fiduciary duty, personal dishonesty, recklessness, or incompetence; and

(b) (i) The state trust institution or its affiliate has suffered or is likely to suffer substantial financial loss or other damage; or

(ii) The interests of the state trust institution, or its affiliate, or their beneficiaries, trustors, shareholders, or the general public in Washington state could be seriously prejudiced by reason of the violation or practice of the third-party service provider.

(2) The director shall also serve any affected third-party service provider with the notice described in subsection (1) of this section, and such third-party service provider shall be deemed a real party in interest with the same right to notice and right to intervene in the administrative action and defend against it as if the third-party service provider were the respondent. [2019 c 389 § 26.]