

STATE OF ILLINOIS
OFFICE OF BANKS AND REAL ESTATE
BUREAU OF BANKS AND TRUST COMPANIES

IN THE MATTER OF:)
)
North Star Trust Company)
Chicago, Illinois)
An Illinois Corporate Fiduciary)
_____)

No. 2003-BBTC-53

ORDER ASSESSING CIVIL MONETARY PENALTY

The COMMISSIONER OF THE OFFICE OF BANKS AND REAL ESTATE, (“Commissioner”), having conducted an examination of facts related to North Star Trust Company, 500 West Monroe, Chicago, Illinois (“North Star”) and having found that North Star committed a violation of Section 1-7 of the Corporate Fiduciary Act, [205 ILCS 620/1-7] (the “Act”), hereby issues this ORDER pursuant to the authority provided under Section 5-1(g) of the Act. The Commissioner makes the following:

FINDINGS

1. That North Star is an Illinois corporate fiduciary and maintains a principal office located at 500 West Monroe Street, Street 3800 Chicago, Illinois;
2. That on or about November 1, 2002, North Star commenced operation of a branch office located at 8383 West Belmont Avenue River Grove Illinois, (the “Branch Office”);
3. That pursuant to the provisions of Section 1-7 of the Act, North Star was required to apply for and obtain the approval of the Commissioner prior to the commencement of operations of the Branch Office;
4. That North Star failed to apply for and obtain the approval of the Commissioner prior to the commencement of operations at the Branch Office; and
5. That Section 5-1 (g) of the Act provides that the Commissioner may impose civil penalties of up to \$10,000 against any person or corporate fiduciary for each violation of the Act, any rule promulgated in accordance with the Act, any order of the Commissioner or any other act which, in the Commissioner’s discretion, is a detriment or impediment to accepting or executing trusts.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE COMMISSIONER IS OF THE OPINION AND CONCLUDES:

1. That by virtue of the failure to apply for and obtain the approval of the Commissioner prior to the commencement of operations at the Branch Office, North Star has violated Section 1-7 of the Act;
2. That Section 5-1(g) of the Act provides the Commissioner the authority to assess a civil monetary penalty against North Star in an amount up to \$10,000; and
3. That this ORDER is authorized and appropriate under the provisions of Section 5-1(g) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. North Star Trust Company, Chicago, Illinois shall be and hereby is assessed a civil monetary penalty in the amount of \$500.00;
2. The civil monetary penalty in the amount of \$500 shall be paid no later than sixty (60) days after service of this order upon North Star Trust Company; and
3. The civil monetary penalty in the amount of \$500.00 shall be paid by means of a certified check or money order made payable to the Office of Banks and Real Estate.

ORDERED THIS 23rd DAY OF SEPTEMBER, 2003.

SCOTT D. CLARKE
Assistant Commissioner
Bureau of Banks and Trust Companies

You are hereby notified that this Order is an administrative decision. Pursuant to 38 Ill. Adm. Code, Section 392, any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held within thirty (30) days after the receipt by the Commissioner of Banks and Real Estate of a request for a hearing. Absent a request for hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law, [735 ILCS 5/3-101