

# **Texas Department of Banking**

## **Press Release**

---

---

### **Department of Banking Takes Action Against Richard H. Gray d/b/a First Security Trust, San Antonio, Texas**

Date: January 25, 2007

Texas Banking Commissioner, Randall S. James, announces that the Department of Banking has issued a Cease and Desist Order against Richard H. Gray d/b/a First Security Trust, San Antonio, Texas. Under Texas law, the use of the word “trust” in the name of a business or in advertising must have prior approval by the Texas Department of Banking.

The Order, signed on January 25, 2007 by the Commissioner, prohibits First Security Trust from using the word “trust”, or a similar term, in its business name or advertising in any medium, including newspaper advertising or on its webpage without the written approval of the Texas Department of Banking. The Order further prohibits First Security Trust from making any representation to the public that implies that First Security Trust has been approved by the Department to engage in the business of a fiduciary for hire in Texas.

The Texas Department of Banking became aware of First Security Trust’s activities through a newspaper advertisement offering 12-month certificates of deposits at attractive interest rates. The Department had not authorized Richard Gray d/b/a First Security Trust to use “trust” in its name or advertising. Additionally the Department has not issued a charter, license, permit, registration, or any authority to First Security Trust to solicit deposits or conduct any other activities of a state-chartered trust company.