

graph (1), a permanent or temporary injunction, restraining order, or other order, shall be granted without bond.

(b) Jurisdiction

(1) In general

In any proceeding under subsection (a) of this section, the court as a court of equity may, to such extent as the court considers necessary, take exclusive jurisdiction over the rural business investment company and the assets of the rural business investment company, wherever located.

(2) Trustee or receiver

The court shall have jurisdiction in any proceeding described in paragraph (1) to appoint a trustee or receiver to hold or administer the assets.

(c) Secretary as trustee or receiver

(1) Authority

The Secretary may act as trustee or receiver of a rural business investment company.

(2) Appointment

On the request of the Secretary, the court shall appoint the Secretary to act as a trustee or receiver of a rural business investment company unless the court considers the appointment inequitable or otherwise inappropriate by reason of any special circumstances involved.

(Pub. L. 87-128, title III, §384M, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 399.)

§ 2009cc-13. Additional penalties for noncompliance

(a) In general

With respect to any rural business investment company that violates or fails to comply with this subchapter (including any rule, regulation, order, or participation agreement under this subchapter), the Secretary may, in accordance with this section—

(1) void the participation agreement between the Secretary and the rural business investment company; and

(2) cause the rural business investment company to forfeit all of the rights and privileges derived by the rural business investment company under this subchapter.

(b) Adjudication of noncompliance

(1) In general

Before the Secretary may cause a rural business investment company to forfeit rights or privileges under subsection (a) of this section, a court of the United States of competent jurisdiction must find that the rural business investment company committed a violation, or failed to comply, in a cause of action brought for that purpose in the district, territory, or other place subject to the jurisdiction of the United States, in which the principal office of the rural business investment company is located.

(2) Parties authorized to file causes of action

Each cause of action brought by the United States under this subsection shall be brought by the Secretary or by the Attorney General.

(Pub. L. 87-128, title III, §384N, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 400.)

§ 2009cc-14. Unlawful acts and omissions; breach of fiduciary duty

(a) Parties deemed to commit a violation

Whenever any rural business investment company violates this subchapter (including any rule, regulation, order, or participation agreement under this subchapter), by reason of the failure of the rural business investment company to comply with this subchapter or by reason of its engaging in any act or practice that constitutes or will constitute a violation of this subchapter, the violation shall also be deemed to be a violation and an unlawful act committed by any person that, directly or indirectly, authorizes, orders, participates in, causes, brings about, counsels, aids, or abets in the commission of any acts, practices, or transactions that constitute or will constitute, in whole or in part, the violation.

(b) Fiduciary duties

It shall be unlawful for any officer, director, employee, agent, or other participant in the management or conduct of the affairs of a rural business investment company to engage in any act or practice, or to omit any act or practice, in breach of the fiduciary duty of the officer, director, employee, agent, or participant if, as a result of the act or practice, the rural business investment company suffers or is in imminent danger of suffering financial loss or other damage.

(c) Unlawful acts

Except with the written consent of the Secretary, it shall be unlawful—

(1) for any person to take office as an officer, director, or employee of any rural business investment company, or to become an agent or participant in the conduct of the affairs or management of a rural business investment company, if the person—

(A) has been convicted of a felony, or any other criminal offense involving dishonesty or breach of trust; or

(B) has been found liable in a civil action for damages, or has been permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust; and

(2) for any person to continue to serve in any of the capacities described in paragraph (1), if—

(A) the person is convicted of a felony or any other criminal offense involving dishonesty or breach of trust; or

(B) the person is found liable in a civil action for damages, or is permanently or temporarily enjoined by an order, judgment, or decree of a court of competent jurisdiction, by reason of any act or practice involving fraud or breach of trust.

(Pub. L. 87-128, title III, §384O, as added Pub. L. 107-171, title VI, §6029, May 13, 2002, 116 Stat. 400.)