

Kansas Administrative Regulations
Agency 40. Insurance Department
Article 12. Sale of Stock

40-12-17 Limitation of options.

If the total number of shares of a domestic insurer are, at any one time, subject to outstanding unexercised option rights which exceed or will exceed 20 percent of the number of the then-issued and outstanding shares, it shall be presumed that an unfair, unjust and inequitable situation exists. The number of outstanding unexercised option rights shall include promotional options, employee incentive options, and agents production options.

(Authorized by K.S.A. 40-103, 40-205; implementing K.S.A. 40-205; effective Jan. 1, 1968; amended May 1, 1986; amended May 1, 1987.)