

## E. Signature

1. The statement shall be dated and signed in the following manner:

I certify that the statements made in this statement are true, complete, and correct, to the best of my knowledge and belief.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Participant or  
Authorized Representative)

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:1525 and 22:1533.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, March 17, 1965, amended April 1, 1967.

## Chapter 73. Regulation 25—Sale of Stock to Public; Stock Options

### §7301. Sale of Stock; Stock Options

A. No new old line legal reserve life insurance company will be registered to sell stock to the public unless at least \$1,000,000 is sold.

B. No new industrial life insurance company will be registered to sell stock to the public unless at least \$300,000 is sold.

C. At least 100 percent of the proceeds of the sale of stock must be placed in escrow until either of the above amounts has been sold or until the expiration of one year from the date of original registration.

D. No company will be registered with a par value of less than \$1 per share.

E. Stock options must comply with "Restricted Stock Options" under the *Internal Revenue Code*, and such options can not exceed 10 percent of the total outstanding shares after the sale to the public.

F. All officers, directors, incorporators or promoters of insurance companies must pay at least 85 percent of the public offering price into the company. No stock may be subscribed for at par by such individuals and then a public offering made at a price considerably in excess of par.

G. No stock of an insurance company, whether original or secondary, can be sold to pay off a personal loan of the holder thereof.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, May 28, 1964.

## Chapter 75. Regulation 27—Insider Trading of Equity Securities of a Domestic Stock Insurance Company

### Subchapter A. General Application

#### §7501. Definitions

*Act*—Act 8 of the 1966 Legislature of Louisiana.

*Class*—all securities of an insurer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges.

*Equity Security*—any stock or similar security; or any voting trust certificate or certificate of deposit for such a security; or any security convertible, with or without consideration into such a security, or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right.

*Insurer*—any domestic stock insurance company, with an equity security subject to the provisions of Act 8 of the 1966 Legislature of Louisiana and not exempt thereunder.

*Officer*—a president, vice president, treasurer, actuary, secretary, controller and any other person who performs for the insurer functions corresponding to those performed by the foregoing officers.

#### *Securities Held of Record*—

1. for the purpose of determining whether the equity securities of an insurer are held of record by 100 or more persons, securities shall be deemed to be *held of record* by each person who is identified as the owner of such securities on records of security holders maintained by or on behalf of the insurer, subject to the following:

a. in any case where the records of security holders have not been maintained in accordance with accepted practice, any additional person who would be identified as such an owner on such records if they had been maintained in accordance with accepted practice shall be included as a holder of record;

b. securities identified as held of record by a corporation, a partnership, a trust whether or not the trustees are named, or other organization shall be included as so held by one person;

c. securities identified as held of record by one or more persons as trustees, executors, guardians, custodians or in other fiduciary capacities with respect to a single trust, estate or account shall be included as held of record by one person;

d. securities held by two or more persons as co-owners shall be included as held by one person;

e. each outstanding unregistered or bearer certificate shall be included as held of record by a separate person, except to the extent that the insurer can establish that, if such securities were registered, they would be held of record, under the provisions of this rule, by a lesser number of persons;

f. securities registered in substantially similar names where the insurer has reason to believe because of the address or other indications that such names represent the same person, may be included as held of record by one person;

2. notwithstanding Paragraph 1 of this definition: