

304.26-050 Unlawful sales of equity securities by beneficial owner, director, or officer.

- (1) It is unlawful for any such beneficial owner, director, or officer, directly or indirectly, to sell any equity security of such insurer if the person selling the security or his or her principal:
 - (a) Does not own the security sold; or
 - (b) If the owner of the security does not deliver it against such sale within twenty (20) days thereafter, or does not within five (5) days after such sale deposit it in the mails or other usual channels of transportation, but no person shall be deemed to have violated this section if he or she proves that notwithstanding the exercise of good faith he or she was unable to make such delivery or deposit within such time, or that to do so would cause undue inconvenience or expense.
- (2) The commissioner shall establish, and from time to time amend, regulations with regard to proxies, consents, or authorizations in respect of securities issued by any domestic stock insurer, such regulations to conform to those prescribed by the National Association of Insurance Commissioners.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1370, effective July 15, 2010. -- Created 1970 Ky. Acts ch. 301, subtit. 26, sec. 5, effective June 18, 1970.