

Kansas Administrative Regulations

Office of the State Bank Commissioner

Article 9.—Investment Securities

17-9-5. Investment securities; conversion.

(a) The purchase of investment securities convertible into stock at the option of the issuer shall be prohibited.

(b) A bank may purchase investment securities convertible into stock at the option of the holder or with stock purchase warrants attached if it is apparent that the price paid for an otherwise eligible security fairly reflects the investment value of the security itself and does not include any speculative value based upon the presence of a stock purchase warrant or conversion option.

(Authorized by K.S.A. 9-1713; implementing K.S.A. 1995 Supp. 9-1101; effective Aug. 9, 1996.)

***** Authenticated Kansas Administrative Regulation *****