

Kansas Administrative Regulations

Department of Insurance Assistant Commissioner, Securities Division

Article 7.—Policy Relating to Registration

81-7-1. General statements of policy for registration of securities.

(a) NASAA statements of policy. Each registration statement shall meet the requirements of each NASAA statement of policy that is applicable to the issuer, registration statement, type of security, or other circumstances of the offering. The following NASAA statements of policy are hereby adopted by reference:

(1) "Statement of policy regarding corporate securities definitions," as amended on March 31, 2008;

(2) "statement of policy regarding the impoundment of proceeds," as amended on March 31, 2008;

(3) "statement of policy regarding loans and other material transactions," as amended on March 31, 2008;

(4) "statement of policy regarding options and warrants," as amended on March 31, 2008;

(5) "statement of policy regarding preferred stock," as amended on March 31, 2008;

(6) "statement of policy regarding promoter's equity investment," as amended on March 31, 2008;

(7) "statement of policy regarding promotional shares," as amended on March 31, 2008;

(8) "statement of policy regarding specificity in use of proceeds," as amended on March 31, 2008;

(9) "statement of policy regarding underwriting expenses, underwriter's warrants, selling expenses and selling security holders," as amended on March 31, 2008;

(10) "statement of policy regarding unsound financial condition," as amended on March 31, 2008; and

(11) "statement of policy regarding unequal voting rights," as amended on March 31, 2008.

(b) Financial statements. Each registration statement shall meet the requirements for financial statements under K.A.R. 81-7-3, unless the administrator waives or modifies the requirements for good cause shown under one of the following circumstances:

(1) The registration statement contains financial statements that meet specific requirements of a statement of policy adopted under subsection (a) or another regulation, and the administrator determines that the financial statements are sufficient in light of the issuer, registration statement, type of security, or other circumstances of the offering.

(2) The registration statement was filed for registration by coordination under K.S.A. 17-12a303, and amendments thereto, and contains financial statements that meet SEC requirements.

(3) The registration statement was submitted for coordinated review under K.S.A. 17-12a608(c)(7), and amendments thereto, and the administrator determines that a waiver or modification would promote uniformity with other states.

(c) Whenever terms within the context of NASAA statements of policy adopted by reference in this regulation are in conflict with definitions under the act and these regulations, the definitions in the NASAA statements of policy shall apply.

(Authorized by K.S.A. 17-12a605(a); implementing K.S.A. 17-12a306(b) and 17-12a608(c); effective Jan. 1, 1966; amended, E-70-15, Feb. 4, 1970; amended Jan. 1, 1971; amended Jan. 1, 1972; amended, T-88-65, Dec. 30, 1987; amended May 1, 1988; amended Oct. 24, 1988; amended June 28, 1993; amended Jan. 19, 2007; amended Jan. 4, 2016.)

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