

40-2,157. Material acquisitions or dispositions of assets, defined; assets subject to act; information required to be disclosed. (a) Acquisitions or dispositions of assets need not be reported pursuant to subsection (a) of K.S.A. 40-2,156, if the acquisitions or dispositions are not material. For purposes of this act, a material acquisition or disposition is one, or the aggregate of a series of related acquisitions or dispositions in a 30 day period, that is non-recurring, not in the ordinary course of business and involves more than 5% of the reporting insurer's total admitted assets as reported in its most recent statement of financial condition filed with the commissioner.

(b) (1) Asset acquisitions subject to this act include every purchase, lease, exchange, merger, consolidation, succession or other acquisition except the construction or development of real property by or for the reporting insurer or the acquisition of materials for such purpose.

(2) Asset dispositions subject to this act include every sale, lease, exchange, merger, consolidation, mortgage, hypothecation, assignment (whether for the benefit of creditors or otherwise), abandonment, destruction or other disposition.

(c) The following information is required to be disclosed in any report of a material acquisition or disposition of assets:

- (1) Date of the transaction;
- (2) manner of acquisition or disposition;
- (3) description of the assets involved;
- (4) nature and amount of the consideration given or received;
- (5) purpose of, or reason for, the transaction;
- (6) manner by which the amount of consideration was determined;
- (7) gain or loss recognized or realized as a result of the transaction; and
- (8) name or names of the person or persons from whom the assets were acquired or to whom they were disposed.

History: L. 1994, ch. 89, § 2; July 1.