

40-2b24. Investment companies; money market mutual funds. (a) Any life insurance company heretofore or hereafter organized under any law of this state may invest with the direction or approval of a majority of its board of directors or authorized committee thereof, any of its funds, or any part thereof in shares of a corporation registered and operated as an open-end regulated investment company in accordance with the investment company act of 1940, as amended.

(b) Investments under this section, other than investments in money market mutual funds as described in subsection (c), shall be further limited as follows:

(1) The insurance company's aggregate investment under this provision and K.S.A. 40-2b07, and amendments thereto, combined shall not exceed 25% of its admitted assets as shown by the company's last annual report as filed with the commissioner of insurance or a more recent quarterly financial statement as filed with the commissioner, on a form prescribed by the national association of insurance commissioners, within 45 days following the end of the calendar quarter to which the interim statement pertains;

(2) the investment company in which the insurance company acquires shares shall have assets of not less than \$25,000,000 at the date of purchase;

(3) the insurance company shall not acquire more than 15% of the outstanding shares of any one investment company;

(4) investments in the shares of any one investment company shall not exceed 10% of the admitted assets of the insurance company as shown by the company's last annual report as filed with the commissioner of insurance, as determined on the basis of the cost of such shares to the insurance company at time of purchase.

(c) Investments in money market mutual funds shall not be subject to the limitations contained in subsection (b) when the assets of the fund represent qualified investments described in K.S.A. 40-2b01, 40-2b02, 40-2b03, 40-2b04, 40-2b05 and 40-2b21, and amendments thereto. Investments in money market mutual funds shall be further limited as follows:

(1) The investment company in which the insurance company acquires shares shall have assets of not less than \$25,000,000 at the date of purchase; and

(2) investments in the shares of any one investment company shall not exceed 20% of the admitted assets of the insurance company as shown by the company's last annual report as filed with the commissioner of insurance, or a more recent quarterly financial statement as filed with the insurance commissioner, on a form prescribed by the national association of insurance commissioners, within 45 days following the end of the calendar quarter to which the interim statement pertains, as determined on the basis of the cost of such shares to the insurance company at the time of purchase.

History: L. 1983, ch. 156, § 14; L. 1985, ch. 162, § 2; L. 1987, ch. 160, § 12; L. 1995, ch. 96, § 2; July 1.