



ADMINISTRATIVE RULES OF MONTANA

6.6.3829 ASSUMING INSURER THAT MAINTAINS A TRUST FUND - ALLOWABLE EQUITY INTERESTS

- (1) Investments in common shares or partnership interests of a solvent U.S. institution are permissible for purposes of 33-2-1216(5), MCA, if the equity interests of the institution (except an insurance company) are registered on a national securities exchange as provided in the Securities Exchange Act of 1934, 15 U.S.C. sections 78a to 78kk or otherwise registered pursuant to that Act, and if otherwise registered, price quotations for them are furnished through a nationwide automated quotations system approved by the Financial Industry Regulatory Authority, or successor organization. A trust shall not invest in equity interests under this paragraph an amount exceeding one percent of the assets of the trust even though the equity interests are not so registered and are not issued by an insurance company.
- (2) Investments in common shares of a solvent institution organized under the laws of a country that is a member of the Organization for Economic Cooperation and Development are permissible for purposes of 33-2-1216(5), MCA, if:
 - (a) all its obligations are rated A or higher, or the equivalent, by a rating agency recognized by the Securities Valuation Office of the NAIC; and
 - (b) the equity interests of the institution are registered on a securities exchange regulated by the government of a country that is a member of the Organization for Economic Cooperation and Development.
- (3) An investment in, or loan upon, any one institution's outstanding equity interests shall not exceed one percent of the assets of the trust. The cost of an investment in equity interests made pursuant to this paragraph, when added to the aggregate cost of other investments in equity interests, then held pursuant to this paragraph, shall not exceed ten percent of the assets in the trust.

Authorizing statute(s): 33-1-313, 33-2-1517, MCA

Implementing statute(s): 33-2-1216, MCA

History: NEW, 2016 MAR p. 2186, Eff. 11/26/16.