

(I) DIRECTLY OR INDIRECTLY THE BENEFICIAL OWNER OF MORE THAN 10% OF ANY CLASS OF EQUITY SECURITY OF THE DOMESTIC STOCK INSURER; OR

(II) A DIRECTOR OR OFFICER OF THE DOMESTIC STOCK INSURER.

(2) WITHIN 10 DAYS AFTER THE END OF EACH CALENDAR MONTH IN WHICH THERE HAS BEEN A CHANGE IN OWNERSHIP OF SECURITIES THAT ARE SUBJECT TO REPORTING UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PERSON WHOSE OWNERSHIP HAS CHANGED SHALL FILE WITH THE COMMISSIONER, IN THE FORM THE COMMISSIONER REQUIRES, A STATEMENT INDICATING THE PERSON'S OWNERSHIP AT THE END OF THE CALENDAR MONTH AND THE CHANGES IN OWNERSHIP THAT HAVE OCCURRED DURING THAT CALENDAR MONTH.

(E) PROFIT FROM SALE OF EQUITY SECURITY HELD LESS THAN 6 MONTHS.

(1) THE PURPOSE OF THIS SUBSECTION IS TO PREVENT THE UNFAIR USE OF INFORMATION THAT MAY HAVE BEEN OBTAINED BY A BENEFICIAL OWNER, DIRECTOR, OR OFFICER OF A DOMESTIC STOCK INSURER BECAUSE OF THAT PERSON'S RELATIONSHIP TO THE DOMESTIC STOCK INSURER.

(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ANY PROFIT REALIZED BY A BENEFICIAL OWNER, DIRECTOR, OR OFFICER OF A DOMESTIC STOCK INSURER FROM A PURCHASE AND SALE, OR A SALE AND PURCHASE, OF AN EQUITY SECURITY OF THE DOMESTIC STOCK INSURER WITHIN A PERIOD OF LESS THAN 6 MONTHS INURES TO AND IS RECOVERABLE BY THE DOMESTIC STOCK INSURER, REGARDLESS OF THE INTENTION OF THE BENEFICIAL OWNER, DIRECTOR, OR OFFICER IN ENTERING INTO THE TRANSACTION OF HOLDING THE EQUITY SECURITY PURCHASED OR OF NOT REPURCHASING THE SECURITY SOLD FOR MORE THAN 6 MONTHS.

(II) AN EQUITY SECURITY ACQUIRED IN GOOD FAITH IN CONNECTION WITH A DEBT CONTRACTED PRIOR TO THE 6-MONTH PERIOD IS NOT SUBJECT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(3) (I) A SUIT TO RECOVER ANY PROFIT OBTAINED IN VIOLATION OF THIS SUBSECTION MAY BE BROUGHT IN A COURT OF COMPETENT JURISDICTION BY:

1. THE DOMESTIC STOCK INSURER; OR
2. THE OWNER OF ANY SECURITY OF THE DOMESTIC STOCK INSURER IN THE NAME AND ON BEHALF OF THE DOMESTIC STOCK INSURER, IF THE DOMESTIC STOCK INSURER FAILS OR REFUSES TO BRING THE SUIT WITHIN 60 DAYS AFTER A REQUEST TO DO SO OR FAILS TO PROSECUTE THE SUIT DILIGENTLY.

(II) A SUIT UNDER THIS SUBSECTION MAY NOT BE BROUGHT MORE THAN 2 YEARS AFTER THE DATE THE PROFIT WAS REALIZED.

(4) THIS SUBSECTION MAY NOT BE CONSTRUED TO APPLY TO: