

a. "Covered options" means the sale of a call option where the seller owns and has in possession the underlying stock.

b. "Call option" means an option contract or contracts, under which the holder of the option has the right, under the terms of the option, to purchase a specified number of shares or other units of the underlying security covered by the option at a specified price per share or unit prior to the fixed expiration time of the option.

c. "Exchange" means a national securities exchange registered under the Securities Exchange Act of 1934, as amended, whose rules respecting transactions in options have been approved pursuant to section 19(b) of that Act.

d. "Exchange-traded" means traded on the floor of an exchange.

e. "Security or securities" means a security or securities authorized to be acquired and owned by a domestic insurance company under section 515.35.

f. "Exercise price" means the price per share or unit for which the holder of a call option may purchase the underlying security upon exercise of the option.

g. "Escrow receipt" means a receipt issued to the options clearing corporation with respect to the escrowed security held on deposit by a bank, trust company, or other custodian approved by the options clearing corporation for that purpose.

h. "Escrowed security" means a security with respect to which an escrow receipt has been issued.

i. "Closing purchase transaction" means the purchase on an exchange, but not otherwise, of an option of the same series as the option previously written, for the purpose of reducing or liquidating an obligation under an exchange-traded option previously written.

j. "Class of options" means options covering the same underlying security.

k. "Series of options" means options of the same class having the same exercise price and expiration time.

Approved May 1, 1981

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## CHAPTER 170

### SYNOPSIS OF INSURANCE BUSINESS ABOLISHED

S. F. 147

AN ACT to eliminate the requirement of publication of a synopsis of the annual report of insurance companies doing business in this state.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 515.90, Code 1981, is repealed.

Approved March 13, 1981