**Section 1075.650 Prohibited Transactions**

a) Without prior approval of the Director, no service corporation shall enter into any contract (except an employment contract), grant any loan, directly or indirectly, to any officer, organization director, individual stockholder or employee of the service corporation or of its parent savings banks except upon real estate occupied as a homestead or on the security of a personal automobile. A service corporation may, without prior approval, enter into a contract for the sale of real estate to be occupied by any of the foregoing persons as their bona fide homestead.

b) A service corporation may enter into a contract to purchase an insurance agency or brokerage in which any of the foregoing persons have an interest.

(Source: Amended at 30 Ill. Reg. 19068, effective December 1, 2006)