**Section 760.690 Securities Sale and Claims**

a) Sale of Securities

1) The administrator may not sell a security prior to attempting to provide notice as provided for in Section 15-503 of the Act.

2) Unless the administrator reasonably determines it would be in the best interests of the owner for the sale to occur sooner, the administrator may not sell or otherwise liquidate a security until 3 years after the administrator receives the security.

A) Instances in which it would be in the best interest of the owner for a sale of securities to occur prior to the expiration of the 3-year period include, without limitation: responding to a tender offer; a bankruptcy filing; a business liquidation; heirs of a deceased apparent owner file a claim for their portions of the securities or the net proceeds of the securities; and instances in which fees will significantly deplete the value of the securities.

B) If the administrator sells a security prior to the expiration of the 3-year period, the administrator shall document in a record the reasons for the sale.

3) Unless otherwise provided in the Act or this Part, the administrator may sell a security at any time after 3 years after the administrator receives the security.

A) *The administrator may not sell a security listed on an established stock exchange for less than the price prevailing on the exchange at the time of sale.*

B) *The administrator may sell* or otherwise dispose of *a security not listed on an established exchange by any commercially reasonable method.* [765 ILCS 1026/15-702(b)]

4) Securities will not be sold when a claim has been filed with the administrator by an apparent owner, heir, or agent for those securities.

A) However, the apparent owner, heir, or agent may direct the administrator to dispose of the securities by sale and remit the net proceeds to the owner, heir, or agent.

B) Upon denial of a claim, the administrator may dispose of the securities as provided in the Act and this Part.

C) The administrator may also dispose of the securities as provided in the Act and this Part if, after being requested by the administrator, the apparent owner, heir, or agent fails to provide necessary and sufficient information to allow the administrator to transfer the securities within 30 days after the administrator's request.

D) The administrator may also dispose of any securities that remain unclaimed as provided in the Act and this Part if:

i) the apparent owner of the securities is deceased; and

ii) one or more, but not all, heirs of the apparent owner file a claim for their portions of the securities or the net proceeds of the securities.

E) The administrator may dispose of securities that while in the custody of the administrator become a non-freely transferable security because of sanctions, government action administered by the U.S. Department of the Treasury's Office of Foreign Assets Control in any manner in conformity with federal law.

b) *Recovery of Securities or Value by Owner*

1) *If the administrator sells a security before the expiration of 3 years after delivery of the security to the administrator, an apparent owner that files a valid claim under the Act for the security before the 3-year period expires is entitled, at the option of the owner, to receive:*

A) *replacement of the security;*

B) *the market value of the security at the time the claim is filed, plus dividends, interest, and other increments on the security up to the time the claim is paid; or*

C) *the net proceeds of the sale of the security, plus dividends, interest, and other increments on the security up to the time the security was sold.* [765 ILCS 1026/15-703(a)]

2) *Replacement of the security or calculation of market value under* subsection (b)(1) *must take into account a stock split, reverse stock split, stock dividend, or similar corporate action.* [765 ILCS 1026/15-703(b)]

3) *A person that makes a valid claim under the Act for a security after expiration of 3 years after delivery of the security to the administrator is entitled to receive:*

A) *the security the holder delivered to the administrator, if it is in the custody of the administrator, plus dividends, interest, and other increments on the security up to the time the administrator delivers the security to the person; or*

B) *the net proceeds of the sale of the security, plus dividends, interest, and other increments on the security up to the time the security was sold.* [765 ILCS 1026/15-703(c)]

(Source: Amended at 48 Ill. Reg. 14162, effective September 10, 2024)