**Section 1000.1060 Prohibited Transactions**

a) Except as provided in this Section, service corporations shall not enter into any contract (except an employment contract), nor grant any loan, directly or indirectly, to any officer, director, individual stockholder or employee of the service corporation or of its parent association(s) except upon real estate occupied as a homestead or on the security of a personal automobile. A service corporation may 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 13 Ill. Reg. 8927, effective May 26, 1989)