

2715.5300 DEFINITIONS.

Subpart 1. **Scope.** Unless the context otherwise requires, all terms used in parts 2715.5300 and 2715.6000 shall have the same meaning as in the act and in parts 2715.4100 and 2715.4200. In addition, the following definitions apply.

Subp. 2. **Employee stock purchase plan; qualified stock option.** The definition of the terms "qualified stock option" and "employee stock purchase plan" that are set forth in sections 422 and 423 of the Internal Revenue Code of 1954, as amended, are to be applied to those terms where used in parts 2715.5300 to 2715.6000.

Subp. 3. **Exercise of an option, warrant, or right.** The term "exercise of an option, warrant, or right" contained in part 2715.5400, subpart 1 shall not include the making of any election to receive under any plan compensation in the form of stock or credits therefor, provided that such election is made either prior to the making of the award or prior to the fulfillment of all conditions to the receipt of the compensation and provided further that such election is irrevocable until at least six months after termination of employment; nor the subsequent crediting of such stock; nor the making of any election as to a time for delivery of such stock after termination of employment, provided that such election is made at least six months prior to any such delivery; nor the fulfillment of any condition to the absolute right to receive such stock; nor the acceptance of certificates for shares of such stock.

Subp. 4. **Plan.** The term "plan" includes any plan, whether or not set forth in any formal written document or documents and whether or not approved in its entirety at one time.

Subp. 5. **Restricted stock option.** The term "restricted stock option" as defined in section 424(b) of the Internal Revenue Code of 1954, as amended, shall be applied to that term as used in parts 2715.5300 to 2715.6000; provided however, that for the purposes of parts 2715.5300 to 2715.6000 an option that meets all of the conditions of that part, other than the date of issuance, shall be deemed to be a "restricted stock option."

Statutory Authority: *MS s 60A.22*

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