**Section 1075.1270 Acquisition and Disposal of Subsidiaries**

a) As permitted by the Act, this Part, and applicable federal law, a mutual holding company, with approval of its board of directors, the Director, and its members, may:

1) acquire control of, or make non-controlling investments in the stock of, a stock depository institution or stock depository institution holding company;

2) acquire a mutual savings bank, upon approval of acquiree's board of directors and members, pursuant to a merger into the resulting savings bank, into an acquiree savings bank, or into another savings bank that was in the mutual form when acquired or with a bridge charter;

3) acquire a mutual savings bank or savings bank holding company, upon approval of the acquiree's board of directors and members, by merging with the mutual savings bank holding company;

4) acquire control of, or make non-controlling investments in the stock of, other corporations.

b) A stock holding company may make acquisitions or investments or enter into mergers as permitted by the Act, this Part, and applicable federal law with approval of its board of directors, the Director and its stockholders.

c) Each holding company disposing of a subsidiary shall give not less than 30 days prior notice of the planned disposition to the Director. Disposal of a subsidiary must be approved by the Director.

d) The Director shall approve a transaction contemplated by this Section upon finding that the transaction complies with applicable law, has received necessary approvals under federal law, and is not inequitable to members or injurious to a savings bank.

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