**Section 1075.1835 Stock Purchase Subscription Rights – Eligible Account Holders**

a) Each eligible account holder shall receive, without payment, nontransferable subscription rights to purchase capital stock in an amount ranging from .1% to 5% of the total offering, with each receiving subscription rights to the same percentage of capital stock, or in an amount that reflects a proportioned amount that is based on the amount of the eligible account holder's qualifying deposit relative to the total amount of qualifying deposits. The allocation of subscription rights to purchase shares of capital stock under this subsection shall not give the organization directors in the aggregate subscriptions equal to more than 20% of the total offering.

b) When a conversion plan is effected pursuant to Section 1075.2170, the total number of shares refers to that number of shares not sold to the acquiror or acquirors designated in the plan.

c) Allotment

1) If the allotment made in this Section results in an oversubscription, the plan of conversion may provide that shares be allocated first to organization directors, officers and employees who have been account holders for the entire 5 years before the conversion. However, the Director may waive the 5 year requirement for an individual upon a written finding that the individual who has not been a 5 year account holder participated in and greatly contributed to rehabilitating the savings bank or that the waiver is necessary to maintain the savings bank's independent ownership. Any shares not allocated to the organization directors, officers and employees shall be allocated among other subscribing eligible account holders on an equitable basis, related to the amounts of their qualifying deposits, as may be provided in the plan of conversion.

2) For the purposes of shares allocated pursuant to subsection (c)(1), organization directors may be allocated additional shares in the same manner as other eligible account holders.

d) If the allotment in this Section results in an undersubscription, the plan of conversion may provide that the directors, officers and employees of the savings bank who are eligible account holders receive, without payment, nontransferable subscription rights to purchase unallocated shares of capital stock. The subscription rights shall be allocated among organization directors, officers and employees on an equitable basis such as by giving weight to period of service, compensation, or position.

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