**Section 1075.1980 Prohibitions on Offer, Sale, or Purchase of Securities**

a) In the offer, sale, or purchase of securities issued incident to its conversion, no savings bank or any organization director, officer, attorney, agent, or employee thereof may:

1) employ any device, scheme or artifice to defraud;

2) obtain money or property by any untrue statement of a material fact or any omission to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; or

3) engage in any act, transaction, practice, or course of business that operates or would operate as a fraud or deceit upon a purchaser or seller.

b) In addition, any act that the U.S. Securities Exchange Commission finds violates section 10 of the Securities Exchange Act of 1934 (15 USC 78j) or Rule 10b-5, as promulgated by the U.S. Securities Exchange Act of 1934 (17 CFR 240.10b-5) shall be considered a violation of this Section. A violation found by the Securities Exchange Commission includes, regardless of pending of appeal, any violation found by the Commission, any violation admitted within a plea agreement or in a plea of nolo contendere, any violation proved or admitted with respect to an unindicted co-conspirator, any conviction for violation of the Securities Exchange Act of 1934 (15 USC 78j) or Rule (17 CFR 240.10b-5), as promulgated by the U.S. Securities Exchange Commission, and any violation found by any body of competent jurisdiction of the Securities Exchange Act of 1934 (15 USC 78); or Rule (17 CFR 240.10b-5), as promulgated by the U.S. Securities Exchange Commission.

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