**Section 1075.2165 Conversion Incident to Acquisition by Savings Bank Holding Company or Merger or Consolidation with Savings Bank Holding Company Subsidiary – Restriction on Sale of Shares of Stock by Organization Directors and Officers**

a) In a conversion of a mutual savings bank that is in the process of acquisition by a depository institution holding company, or in the process of merger or consolidation with another depository institution, the restrictions imposed by Section 1075.1890 on resale of stock apply to shares of the holding company purchased on original issue by any director or officer of the converting savings bank that is in the process of acquisition, merger, or consolidation, and the restrictions imposed by this Subpart apply to the ownership of capital stock in the depository institution holding company or other depository institution with the same force and effect as they would apply to the ownership of capital stock of the unconverted mutual savings bank, if shares of this savings bank were offered to depositors or the public pursuant to this Subpart.

b) The tender of shares by directors and officers of a converted savings bank in exchange for shares of another converted savings bank, or for shares of a holding company, do not constitute a sale for purposes of Section 1075.1890. However, the shares received in such an exchange shall not be sold for a period of one year following the date of such purchase on original issue, except that the Director may waive this restriction upon a finding that allowing a sale would substantially contribute to averting otherwise unavoidable injury to a savings bank.

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