**Section 1075.1330 Conversion of Mutual Holding Companies**

With approval of the Director, upon a finding by the Director that the conversion complies with applicable law, has received necessary approvals under federal law, and is not inequitable to members or injurious to a savings bank, a mutual holding company may convert to a capital stock holding company. Any capital stock issued and offered for sale by a converting holding company shall be offered in accordance with Subpart O of this Part except that:

a) The words "mutual savings bank" shall refer to mutual holding company.

b) Section 1075.2170 of this Part shall not apply unless a subsidiary depository institution does not meet applicable capital requirement and the mutual holding company is unable to meet the requirements of the applicable net worth agreement entered into under Section 1075.1240 of this Part.

c) Requirements in Subpart O of this Part for filing presentation or disclosure of financial, regulatory operations or management information shall apply to either the mutual holding company or its subsidiaries, or both, whichever filing, presentation or disclosure provides, as determined by the Director, the most complete description of the mutual holding company and its subsidiaries.

d) Stock issued pursuant to Section 1075.1225 of this Subpart may be exchanged for stock issued by the mutual holding company in a conversion of the mutual holding company to stock form under this Section if the mutual holding company demonstrates that the exchange is equitable to the subsidiary depository institution and the mutual holding company members.

e) The Director may waive a requirement of Subpart O of this Part upon a finding that the waiver is not injurious or inequitable to the mutual holding company or its subsidiaries, that it is not inequitable to members or eligible account holders, that the conversion, if the waiver is granted, provides the equivalent protections and opportunities as a conversion that fully complies with Subpart O of this Part and this Section, and that no other course of action that fully complies with Subpart O of this Part and this Section exists.

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