**Section 1075.1940 Liquidation Account – Establishment Required – Amount – Function**

Each converted savings bank shall, at the time of conversion, establish a liquidation account in an amount equal to the amount of net worth of the converting savings bank as of the latest practicable date before conversion. For purposes of this Section, the savings bank, in the final offering circular, shall use the net worth figure stated in its most recent audited statement of financial condition, prepared according to Generally Accepted Accounting Principles ("Accounting Standards Current Text General Standards", June 1, 1992, no subsequent dates or editions. Financial Accounting Standards Board, 401 Merritt 7, P. O. Box 5116, Norwalk, CT 06856-5116). The function of the liquidation account is to establish a priority to be followed on liquidation and, except as provided in Section 1075.1970, the existence of the liquidation account shall not operate to restrict the use or application of any of the capital accounts of the converted savings bank.

(Source: Added at 17 Ill. Reg. 8894, effective June 7, 1993)