

## § 563b.5

- 563b.515 What information must I provide to OTS before I repurchase my shares?
- 563b.520 May I declare or pay dividends after I convert?
- 563b.525 Who may acquire my shares after I convert?
- 563b.530 What other requirements apply after I convert?

### CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS

- 563b.550 May I donate conversion shares or conversion proceeds to a charitable organization?
- 563b.555 How do my members approve a charitable contribution?
- 563b.560 How much may I contribute to a charitable organization?
- 563b.565 What must the charitable organization include in its organizational documents?
- 563b.570 How do I address conflicts of interest involving my directors?
- 563b.575 What other requirements apply to charitable organizations?

### SUBPART B—VOLUNTARY SUPERVISORY CONVERSIONS

- 563b.600 What does this subpart do?
- 563b.605 How may I conduct a voluntary supervisory conversion?
- 563b.610 Do my members have rights in a voluntary supervisory conversion?

### ELIGIBILITY

- 563b.625 When is a savings association eligible for a voluntary supervisory conversion?
- 563b.630 When is a BIF-insured state-chartered savings bank eligible for a voluntary supervisory conversion?

### PLAN OF SUPERVISORY CONVERSION

- 563b.650 What must I include in my plan of voluntary supervisory conversion?

### VOLUNTARY SUPERVISORY CONVERSION APPLICATION

- 563b.660 What must I include in my voluntary supervisory conversion application?

### OTS REVIEW OF THE VOLUNTARY SUPERVISORY CONVERSION APPLICATION

- 563b.670 Will OTS approve my voluntary supervisory conversion application?
- 563b.675 What conditions will OTS impose on an approval?

### OFFERS AND SALES OF STOCK

- 563b.680 How do I sell my shares?

## 12 CFR Ch. V (1–1–05 Edition)

### POST-CONVERSION

- 563b.690 Who may not acquire additional shares after the voluntary supervisory conversion?

AUTHORITY: 12 U.S.C. 1462, 1462a, 1463, 1464, 1467a, 2901; 15 U.S.C. 78c, 78l, 78m, 78n, 78w.

SOURCE: 67 FR 52020, Aug. 9, 2002, unless otherwise noted.

### § 563b.5 What does this part do?

(a) *General.* This part governs how a savings association (“you”) may convert from the mutual to the stock form of ownership. Subpart A of this part governs standard mutual-to-stock conversions. Subpart B of this part governs voluntary supervisory mutual-to-stock conversions. This part supersedes all inconsistent charter and bylaw provisions of federal savings associations converting to stock form.

(b) *Prescribed forms.* You must use the forms prescribed under this part and provide such information as OTS may require under the forms by regulation or otherwise. The forms required under this part include: Form AC (Application for Conversion); Form PS (Proxy Statement); Form OC (Offering Circular); and Form OF (Order Form).

(c) *Waivers.* OTS may waive any requirement of this part or a provision in any prescribed form. To obtain a waiver, you must file a written request with OTS that:

(1) Specifies the requirement(s) or provision(s) you want OTS to waive;

(2) Demonstrates that the waiver is equitable; is not detrimental to you, your account holders, or other savings associations; and is not contrary to the public interest; and

(3) Includes an opinion of counsel demonstrating that applicable law does not conflict with the requirement or provision.

### § 563b.10 May I form a holding company as part of my conversion?

You may convert to the stock form of ownership as part of a transaction where you organize a holding company to acquire all of your shares upon their issuance. In such a transaction, your holding company will offer rights to purchase its shares instead of your shares. All of the requirements of subpart A generally apply to the holding company as they apply to the savings

association. Section 574.6 of this chapter contains OTS's holding company application requirements.

**§ 563b.15 May I form a charitable organization as part of my conversion?**

When you convert to the stock form, you may form a charitable organization. Your contributions to the charitable organization are governed by the requirements of §§ 563b.550 through 563b.575.

**§ 563b.20 May I acquire another insured stock depository institution as part of my conversion?**

When you convert to stock form, you may acquire for cash or stock another insured depository institution that is already in the stock form of ownership.

**§ 563b.25 What definitions apply to this part?**

The following definitions apply to this part and the forms prescribed under this part:

*Acting in concert* has the same meaning as in § 574.2(c) of this chapter. The rebuttable presumptions of § 574.4(d) of this chapter, other than §§ 574.4(d)(1) and (d)(2) of this chapter, apply to the share purchase limitations at §§ 563b.355 through 563b.395.

*Affiliate of*, or a person *affiliated with*, a specified person is a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the specified person.

*Associate* of a person is:

(1) A corporation or organization (other than you or your majority-owned subsidiaries), if the person is a senior officer or partner, or beneficially owns, directly or indirectly, 10 percent or more of any class of equity securities of the corporation or organization.

(2) A trust or other estate, if the person has a substantial beneficial interest in the trust or estate or is a trustee or fiduciary of the trust or estate. For purposes of §§ 563b.370, 563b.380, 563b.385, 563b.390, 563b.395 and 563b.505, a person who has a substantial beneficial interest in your tax-qualified or non-tax-qualified employee stock benefit plan, or who is a trustee or a fiduciary of the plan, is not an associate of the plan.

For the purposes of § 563b.370, your tax-qualified employee stock benefit plan is not an associate of a person.

(3) Any person who is related by blood or marriage to such person and:

(i) Who lives in the same home as the person; or

(ii) Who is your director or senior officer, or a director or senior officer of your holding company or your subsidiary.

*Association members* or *members* are persons who, under applicable law, are eligible to vote at the meeting on conversion.

*Control* (including *controlling*, *controlled by*, and *under common control with*) means the direct or indirect power to direct or exercise a controlling influence over the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise as described in part 574 of this chapter.

*Eligibility record date* is the date for determining eligible account holders. The eligibility record date must be at least one year before the date your board of directors adopts the plan of conversion.

*Eligible account holders* are any persons holding qualifying deposits on the eligibility record date.

*IRS* is the Internal Revenue Service.

*Local community includes:*

(1) Every county, parish, or similar governmental subdivision in which you have a home or branch office;

(2) Each county's, parish's, or subdivision's metropolitan statistical area;

(3) All zip code areas in your Community Reinvestment Act assessment area; and

(4) Any other area or category you set out in your plan of conversion, as approved by OTS.

*Offer*, *offer to sell*, or *offer for sale* is an attempt or offer to dispose of, or a solicitation of an offer to buy, a security or interest in a security for value. Preliminary negotiations or agreements with an underwriter, or among underwriters who are or will be in privity of contract with you, are not offers, offers to sell, or offers for sale.

*Person* is an individual, a corporation, a partnership, an association, a