§ 563b.320  
immediately deliver the amendment to each person who subscribed for or or-
dered shares in the offering.
(c) Your post-effective amendment must indicate that each person may in-
crease, decrease, or rescind their sub-
scription or order.
(d) The post-effective offering period must remain open no less than 10 days
nor more than 20 days, unless OTS ap-
proves a longer rescission period.

OFFERS AND SALES OF STOCK

§ 563b.320  Who has priority to pur-
chase my conversion shares?
You must offer to sell your shares in the following order:
(a) Eligible account holders.
(b) Tax-qualified employee stock
ownship plans.
(c) Supplemental eligible account
holders.
(d) Other voting members who have
subscription rights.
(e) Your community, your commu-
nity and the general public, or the gen-
eral public.

§ 563b.325  When may I offer to sell my
conversion shares?
(a) You may offer to sell your conver-
sion shares after OTS approves your
conversion, authorizes your proxy
statement, and declares your offering
circular effective.
(b) The offer may commence at the
same time you start the proxy solicita-
tion of your members.

§ 563b.330  How do I price my conver-
sion shares?
(a) You must sell your conversion
shares at a uniform price per share and
at a total price that is equal to the es-
timated pro formas market value of
your shares after you convert.
(b) The maximum price must be no
more than 15 percent above the mid-
point of the estimated price range in
your offering circular.
(c) The minimum price must be no
more than 15 percent below the mid-
point of the estimated price range in
your offering circular.
(d) If OTS permits, you may increase
the maximum price of conversion
shares sold. The maximum price, as ad-
justed, must be no more than 15 per-
cent above the maximum price com-
puted under paragraph (b) of this sec-
tion.
(e) The maximum price must be be-
tween $5 and $50 per share.
(f) You must include the estimated
price in any preliminary offering cir-
cular.

§ 563b.335  How do I sell my conversion
shares?
(a) You must distribute order forms
to all eligible account holders, supple-
mental eligible account holders, and
other voting members to enable them
to subscribe for the conversion shares
they are permitted under the plan of
conversion. You may either send the
order forms with your offering circular or after you distribute your offering
circular.
(b) You may sell your conversion
shares in a community offering, a pub-
clic offering, or both. You may begin the
community offering, the public offer-
ing, or both at any time during the
subscription offering or upon conclu-
sion of the subscription offering.
(c) You may pay underwriting com-
missions (including underwriting dis-
counts). OTS may object to the pay-
ment of unreasonable commissions.
You may reimburse an underwriter for
accountable expenses in a subscription
offering if the public offering is lim-
ited. If no public offering occurs, you
may pay an underwriter a consulting
fee. OTS may object to the payment of
unreasonable consulting fees.
(d) If you conduct the community of-
fering, the public offering, or both at
the same time as the subscription of-
fering, you must fill all subscription
orders first.
(e) You must prepare your order form
in compliance with this part and Form
OF. You may obtain Form OF from
OTS Washington and Regional Offices
(see §516.40 of this chapter) and OTS’s

§ 563b.340  What sales practices are
prohibited?
(a) In connection with offers, sales,
or purchases of conversion shares
under this part, you and your directors,
officers, agents, or employees may not:
(1) Employ any device, scheme, or ar-
tifice to defraud;