

WAC 208-514-080 Offering of securities. (1) Any offering of shares of voting securities by a MHC which converts to stock form or of common stock of a stock savings bank subsidiary of a MHC that will cause the holding company to hold less than fifty-one percent of the issued and outstanding common stock of the stock savings bank upon completion of the offering (a "subsequent offering") shall be governed by the rules prescribed in chapter 32.32 RCW, except to the extent that those rules are explicitly waived or modified by the director.

(2) Any offering of shares of any class of stock of a stock savings bank subsidiary of a MHC that will not cause the MHC to hold less than fifty-one percent of the issued and outstanding common stock of the stock savings bank upon completion of the offering may be accomplished through either a public distribution or by means of a limited distribution or placement of the securities, none of which methods of offering will require the stock of the savings bank subsidiary to be offered to members of the unconverted mutual savings bank or of the MHC. Any such offering shall comply with the disclosure requirements of chapter 32.32 RCW, shall be made by means of an offering circular approved by the director, and shall be sold at a price that is approved (a) by the director in the case of the initial offering of shares to persons other than the MHC, and in such case based upon a proposed price range established by qualified persons who are independent of the bank and (b) by the board of directors in the case of other offerings contemplated by this subsection.

(3) The procedures to follow in conducting a subsequent offering may, with the director's approval, differ from those set forth in chapter 32.32 RCW.

(4) Notwithstanding any contrary provision of Title 32 RCW, there shall be no requirement to use an underwriter in an offering made pursuant to subsection (2) of this section, though such use is permissible.

(5) Subject to approval of the director, a stock savings bank subsidiary of a MHC may declare or pay a cash dividend that is payable only to shareholders of the stock savings bank other than the MHC.

(6) Notwithstanding any contrary provision of Title 32 RCW, no offering circular used in connection with an offering pursuant to subsection (2) of this section shall be required to set forth the estimated subscription price range of the shares being offered.

(7) A stock savings bank subsidiary of a MHC may issue and, consistent with these rules, any person may acquire any amount of preferred stock of the bank.

[Statutory Authority: RCW 30.04.030 and 43.320.040. WSR 00-17-141, amended and recodified as § 208-514-080, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 32.34.040 - [32.34].050 and chapters 32.08 and 34.05 RCW. WSR 93-13-142, § 50-14-080, filed 6/23/93, effective 7/24/93. Statutory Authority: RCW 32.34.040 - [32.34.]050. WSR 92-06-041, § 50-14-080, filed 2/28/92, effective 3/30/92.]