

Filed Feb 9 - 1966

8:10 am

S-L 10



STATE OF WISCONSIN )  
 SAVINGS AND LOAN DEPARTMENT ) SS

I, LEO MORTENSEN, Commissioner of Savings and Loan Associations, and Custodian of the official records of the Savings and Loan Department, do hereby certify that the annexed Order No. 57, repealing and recreating Section S-L 10.02, RULES OF THE SAVINGS AND LOAN DEPARTMENT, WISCONSIN ADMINISTRATIVE CODE, was adopted by the Savings and Loan Commissioner on February 3, 1966 and approved by the Savings and Loan Advisory Committee on February 3, 1966, without the holding of a public hearing thereon, pursuant to Sec. 227.02(1)(b), Wisconsin Statutes.

I further certify that no public hearing was held for the reason that Order No. 57 is for the purpose of bringing up existing Rules to conform to Federal Rules, as promulgated by the Federal Savings and Loan Insurance Corporation.

I further certify that publication of Order No. 57 will be made in the Wisconsin Administrative Register of March 1966, No. 123, and that the subject matter in said Order No. 57, Rules of the Savings and Loan Department, Wisconsin Administrative Code, will become effective April 1, 1966.

I further certify that said copy has been compared by me with the original on file in this Department and that same is a true copy thereof, and the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Official Seal of the Department, located in Room 502, Hill Farm State Office Building, 4802 Sheboygan Avenue, in the City of Madison, this 7th day of February 1966.



*Leo Mortensen*

Leo Mortensen

SAVINGS AND LOAN DEPARTMENT  
STATE OF WISCONSIN

ORDER NO. 57

IN THE MATTER of prescribing Rules and Regulations, pursuant to authority contained in Section 215.02(12) (a), Wisconsin Statutes, for conducting the business of Savings and Loan Associations operating under Chapter 215, Wisconsin Statutes

WHEREAS, Section S-L 10.02, Rules of the Savings and Loan Department, Wisconsin Administrative Code, was a part of Order No. 56, published in the Wisconsin Administrative Register of January 1966, No. 121, and became effective February 1, 1966, and

WHEREAS, the Federal Home Loan Bank Board on December 23, 1965, by the adoption of Resolution No. FSLIC-2,367, prescribed a rule whereby state-chartered savings and loan associations could pay bonus earnings under certain conditions specified therein, and

WHEREAS, the Supervisory Agent for the 7th District of the Federal Home Loan Bank Board, distributed copies of Resolution No. FSLIC-2,367 to all insured savings and loan associations on January 12, 1966, and

WHEREAS, Section S-L 10.02, captioned, "BONUS PLAN - FIXED BALANCES FOR DEFINITE TERMS", effective February 1, 1966, is not in conformity with the requirements and conditions contained in Resolution No. FSLIC-2,367 of the Federal Home Loan Bank Board, and would not be approved by the Federal Savings and Loan Insurance Corporation under the provisions of Sec. 563.1 of the Rules and Regulations for Insurance of Accounts, and

WHEREAS, the Savings and Loan Commissioner desires to promulgate a rule, pertaining to Bonus Plans, which would be approved by the Federal Savings and Loan Insurance Corporation.

NOW, THEREFORE, IT IS ORDERED:

1. That Order No. 57, repealing and recreating Sec. S-L 10.02, Rules of the Savings and Loan Department, Wisconsin Administrative Code, is hereby adopted to read as:

S-L 10.02 Bonus Plan - Certificates of Savings Accounts Issued in Amounts of \$1,000 or Multiples Thereof and Held by the Member for Not Less than 12 Consecutive Months.

- (1) Plan. Any association may offer a bonus earning up to 1/2 of 1% per annum on Certificates of Savings Accounts issued in amounts of \$1,000 or multiples thereof and held by the member for not less than 12 months.
- (2) Discretionary selection of Rate of Bonus Earnings. Under this plan, the association may by resolution agree to pay one rate or varying rates of bonus earnings on specified amounts of Certificates of Savings Accounts. Any combination of rates up to 1/2 of 1% per annum, on specified amounts of Certificates of Savings Accounts held by the member for such period of time as set by the directors, provided the minimum period of ownership by the member is for at least 12 consecutive months.
- (3) Specimen Resolution for Bonus Earnings on Savings Account Certificates.

"Upon motion of \_\_\_\_\_ seconded by \_\_\_\_\_ and carried, the following resolution relative to Bonus Earnings, pursuant to Sec. IV(6)(a) of the bylaws was adopted:

"WHEREAS, the directors of the \_\_\_\_\_ Savings and Loan Association of \_\_\_\_\_, Wisconsin, have given consideration for Bonus Earnings up to 1/2 of 1% per annum to members

purchasing Certificates of Savings Accounts of \$1,000 or multiples thereof and holding such Certificates of Savings Accounts for at least 12 consecutive months, under the permissive authority of Sec. S-L 10.02(1), Wisconsin Administrative Code,

"NOW THEREFORE, IT IS RESOLVED, That effective this date, the

\_\_\_\_\_ Savings and Loan Association of \_\_\_\_\_,

Wisconsin, shall be obligated to pay Bonus Earnings to members purchasing Certificates of Savings Accounts of \$1,000 or multiples thereof at the following rates:

(List the rate or rates of Bonus Earnings to be paid, the specified amounts of Certificates of Savings Accounts and the period of ownership by members.)

"Any member desiring to participate in Bonus Earnings on Certificates of Savings Accounts under the terms and conditions set forth in this resolution shall executed an "APPLICATION AND AGREEMENT FOR BONUS", the form and content which follows:



Accounts shall be determined by dividing the dollar amount of each regular, semi-annual earnings distribution on such Certificates by a figure equal to the annual rate of such semi-annual earnings distribution, and multiplying the quotient thus obtained by the decimal rate of Bonus Earnings.

(5) Forfeiture of Bonus. In the event a member applies for a part or entire withdrawal of a Certificate of Savings Account during the required period specified in the Bonus Agreement or during the period of maturity to the next succeeding earnings distribution date, all right to participate in Bonus Earnings shall be forfeited.

(6) Payment of Bonus Earnings. (a) Bonus Earnings on Certificates of Savings Accounts, during the required term of ownership shall be credited to a "Reserve for Bonus" account and shall be paid to the holders of such certificates on the next succeeding semi-annual distribution date following the maturity date of said certificate.

(b) In the event that the board of directors, by resolution, authorizes the continuance of Bonus Earnings on Certificates of Savings Accounts after the minimum period of ownership of said certificates by the members, the Bonus Earnings applicable on such certificates shall be paid at each regular earnings distribution date.

(7) Termination of Bonus Earnings. (a) Participation of Bonus Earnings on Certificates of Savings Account shall terminate on the regular distribution date next succeeding the maturity date of such certificate, unless the continuance of Bonus Earnings on such Certificates of Savings Accounts is specifically authorized by a resolution of the board of directors of the association.

(b) Any resolution by the board of directors authorizing the continuance of distribution of Bonus Earnings on Certificates of Savings Accounts beyond the maturity date of such certificates shall be in effect for

periods not in excess of 12 months at any time. Resolutions of this type relating to the continuance distribution of Bonus Earnings shall be adopted annually.

(c) Appropriate notice to the holders of Certificates of Savings Accounts shall be made when the board of directors decides, by resolution, to discontinue the payment of Bonus Earnings on Certificates of Savings Accounts held by such members beyond the maturity date of such certificates.

(8) Abolishment of Bonus Plan on Certificates of Savings Accounts. The board of directors may, by resolution, abolish the Bonus Plan on Certificates of Savings Accounts, as authorized by this Section, but all contractual obligations on Savings Account Certificates issued prior to the date of the abolishment of such Bonus Plan shall participate in Bonus Earnings in accordance with the terms of "APPLICATION AND AGREEMENT FOR BONUS" signed by the members.

2. That in view of the fact that the subject matter of Order No. 58 is for the purpose of bringing up an existing rule to conform to the requirements and conditions for the payment of Bonus Earnings on Savings Account Certificates as contained in Resolution No. FSLIC-2,367 of the Federal Home Loan Bank Board, no public hearing was held thereon, pursuant to the provisions of Sec. 227.02(1)(b), Wis. Stats., and

3. That Order No. 57, shall become a part of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, effective April 1, 1966, after publication thereof in the Wisconsin Administrative Register for March 1966, No. 123.

  
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Leo Mortensen  
Commissioner

This Order was approved by the Savings and Loan Advisory Committee On February 3, 1966.