

Filed November 1, 1966  
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S-L 5



STATE OF WISCONSIN )  
 DEPARTMENT OF SAVINGS AND LOAN ) 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. 61, creating subsection S-L 18.02(5), captioned, "SPECIFIC RESERVES ON LOAN EXCEEDING AMOUNTS PERMITTED", and amending Section S-L 5.05, captioned, "TRANSFER OF SAVINGS ACCOUNT AND MEMBERSHIP", of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, was adopted by the Savings and Loan Commissioner on October 20, 1966, and approved by the Savings and Loan Advisory Committee on October 20, 1966, after a public hearing held on October 20, 1966.

I further certify that publication of the Annexed Order No. 61 will be made in the Wisconsin Administrative Register of November 1966, No. 131, and that the subject matter contained in Order No. 61 of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, will become effective December 1, 1966.

I further certify that said copy has been compared by me with the original on file with this Department and that the 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 Savings and Loan Department, located in Room 502, Hill Farm State Office Building, 4802 Sheboygan Avenue, in the City of Madison, this 31st day of October, 1966.



*Leo Mortensen*  
 Leo Mortensen

SAVINGS AND LOAN DEPARTMENT  
STATE OF WISCONSIN

ORDER NO. 61

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

WHEREAS, it is in the interest of the public that the Commissioner of Savings and Loan Associations enforce the provisions of Sec. S-L 18.02, Rules of the Savings and Loan Department, Wisconsin Administrative Code, captioned, "MAXIMUM LOAN RATIOS TO APPRAISED VALUES", and

WHEREAS, the Commissioner of Savings and Loan Associations determined that compulsory establishment of specific reserves out of current earnings for any amounts of loans granted in excess of the limitations imposed by Sec. S-L 18.02, Wisconsin Administrative Code, would be a very effective means to enforce compliance of said Sec. S-L 18.02, Wisconsin Administrative Code, and

WHEREAS, the Commissioner of Savings and Loan Associations determined that use of the statement for "TRANSFER OF SAVINGS ACCOUNT AND MEMBERSHIP", as now contained in Sec. S-L 5.05, Rules of the Savings and Loan Department, Wisconsin Administrative Code, be elective rather than compulsory.

NOW, THEREFORE, IT IS ORDERED:

1. That Section 1 of Order No. 61, creating subsection S-L 18.02(5), Rules of the Savings and Loan Department, Wisconsin Administrative Code, captioned, "SPECIFIC RESERVES ON LOANS EXCEEDING AMOUNTS PERMITTED" be created to read as:

"S-L 18.02(5)

SPECIFIC RESERVES ON LOANS EXCEEDING AMOUNTS PERMITTED.

Any association granting a loan or loans in excess of the maximum amounts or ratios set forth in this section shall immediately set up a specific reserve for the excess amount loaned by a charge to its current earnings, and maintain such specific reserve until the unpaid balance of the loan reaches the maximum amount authorized. After the loan has been reduced to its maximum authorized level, the specific reserve shall be transferred to Undivided Profits or any other General Reserve account as designated by the board of directors." and

2. That Section 2 of Order No. 61, amending section S-L 5.05, Rules of the Savings and Loan Department, Wisconsin Administrative Code, captioned, "TRANSFER OF SAVINGS ACCOUNT AND MEMBERSHIP", be amended to read as:

"S-L 5.05

TRANSFER OF SAVINGS ACCOUNT AND MEMBERSHIP.

Each passbook or certificate of savings account, evidencing ownership of a savings account, ~~shall~~ may contain the following printed statement for the transfer of a savings account and membership, in the passbook or on the reverse side of the certificate of savings account: - - - "

*Order No. 61  
S-L 5.05  
10/10/66*

IT IS FURTHER ORDERED, That Order No. 61 shall become a part of the Rules of the Savings and Loan Department, Wisconsin Administrative Code, effective the 1st day of the month following publication thereof in the Wisconsin Administrative Register after a public hearing thereon in accordance with the provisions of Chap. 227, Wis. Stats.

Dated this 31st day of October, 19 66.

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Leo Mortensen  
Commissioner

This Order was approved by the Savings and Loan Advisory Committee on October 20, 1966, after a public hearing thereon held on that date.