

SECTION 4. This act shall take effect upon passage and publication.

Approved May 14, 1915.

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No. 602, A.]

[Published May 17, 1915.

## CHAPTER 100.

AN ACT to amend sections 2009, 2014, 2014—3, 2014—5, 2014—6, 2014—11l, 2014—11m, 2014—11n, and 2014—11o of the statutes, relating to building and loan associations.

*The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:*

SECTION 1. Sections 2009, 2014, 2014—3, 2014—5, 2014—6, 2014—11l, 2014—11m, 2014—11n, and 2014—11o of the statutes are amended to read: Section 2009. A corporation for the purpose of raising money to be loaned among its members shall be known as a building and loan association; if organized under the laws of this state, as a local association, and if under the laws of any other state or territory, as a foreign association. The words "building and loan association" shall form part of the name of every such local association hereafter organized, and no corporation not organized under these statutes shall be entitled to use a name embodying \* \* \* such words, except that corporations now existing may continue their present names. *The name adopted by any association hereafter incorporated shall not be the same assumed by any other association, nor so similar as to be liable to mislead.*

SECTION 2014. If a member not a borrower be in arrears for more than six months for dues, his shares, at the option of the directors, may be declared forfeited. The withdrawal value of the shares at the time of the first default shall be ascertained and all fines and other charges deducted therefrom and the balance paid to such member. All shares so forfeited shall cease to participate in any profits of the association accruing after the last adjustment and valuation of said shares before said default, but shall revert to the association freed from all interest, claim or demand on the part of such member or any person claiming under him. *Shares in arrears as above provided, but which have not been declared forfeited, shall continue to participate in the profits of the association.*

Section 2014—3. When any stock shall have reached its matured value payment of dues thereon shall cease. Borrowers shall be entitled to have their securities released and returned to them. The holders of unpledged shares shall be paid out of the

funds of the association the matured value thereof, with such rate of interest or dividends as shall be determined by the by-laws, from the time the directors shall declare such stock to have matured until paid. And when such maturity is reached between the dates of adjustment of profits the holders of stock maturing shall, in addition to the value thereof, be entitled to interest or dividends at such rate as may be fixed by the by-laws *or determined upon by the directors, based upon the last apportionment*, for all full months from the date of the preceding adjustment, or they may elect to continue payments of dues until the next date of adjustment of profits, at which time they shall be entitled to receive all dues paid and profits apportioned; provided, that at no time shall more than one-half of the monthly receipts of the association be applicable to the payment of matured shares without consent of the directors; but they may, at any time before maturity, retire unpledged shares by enforcing the withdrawal of the same as prescribed in the by-laws \* \* \* *or* articles of incorporation.

Section 2014—5. For every loan made a nonnegotiable note or bond, secured by mortgage upon real estate situated *in the state of Wisconsin*, in the county where such association is located, *or within a radius of not to exceed fifty miles from the office of such association, as the by-laws of each association shall provide*, unencumbered except by prior loans of such association, shall be given, accompanied by a pledge to the association of the shares borrowed upon. Such pledge of stock shall be evidenced by the assignment to the association and surrender of the stock certificate or certificates representing the stock pledged. Provided, that any association heretofore organized may make loans upon real estate situated outside of the county where such association is located if authorized thereto by its articles or by-laws. Such mortgage shall have priority over all liens upon the mortgaged premises and the buildings and improvements thereon which shall be filed subsequent to the recording of such mortgage. The directors, in their discretion, may dispense with said mortgage when the withdrawal value of the shares borrowed upon shall exceed the amount borrowed and interest thereon for six months. If the borrower neglect to offer security satisfactory to the directors, within the time prescribed by the by-laws, his right to a loan shall be forfeited and he shall be charged with one month's interest and premium at the rate bid by him or provided in the by-laws, and any expense incurred. It shall be unlawful for any association, the assets of which do not exceed fifty thousand dollars, to make loans exceeding in the aggregate five thousand dollars upon any one piece of property; if its assets ex-

ceed fifty thousand dollars but do not exceed one hundred thousand dollars, it shall be unlawful for it to make loans exceeding in the aggregate seven thousand five hundred dollars upon any one piece of property; if its assets exceed one hundred thousand dollars, but do not exceed two hundred thousand dollars, it shall be unlawful for it to make loans exceeding in the aggregate ten thousand dollars upon any one piece of property; if its assets exceed two hundred thousand dollars, it shall be unlawful for it to make loans exceeding in the aggregate twenty thousand dollars upon any one piece of property.

Section 2014—6. A borrower may repay his loan at any time by giving thirty days' written notice of \* \* \* his intention. He shall be charged with the amount of the original loan and interest, premium and fines in arrears, and be given credit for the withdrawal value of his shares pledged as security. \* \* \* The balance shall be received in full satisfaction of said loan, and the shares thus credited be cancelled and revert back to the association. All settlements made at periods intervening between stated meetings of the directors shall be made as of the date of such meeting next succeeding such settlement. A borrower may repay his loan at his option without claiming credit for said shares, whereupon said shares shall be retransferred to him freed from all claim by reason of said loan. Partial payments of loans may be made in a sum equal to the par value of one share or any multiple thereof, and for each such sum one share of stock shall be released from pledge.

Section 2014—11l. Every person appointed or elected to any position requiring the receipt, payment, or custody of money or other personal property belonging to a building and loan association, shall, within thirty days after such appointment or election, give a bond with two or more good and sufficient sureties, or in some good and responsible \* \* \* corporate surety company, in such sums as the directors shall require and approve. All such bonds shall be in substantially the following form:

#### BOND

\* \* \* Know all men by these presents, that we . . . . . , as principal, and . . . . . as suret . . . . . , bind ourselves to pay to . . . . . of . . . . . , Wisconsin, its successors and assigns, such pecuniary loss not exceeding . . . . . Dollars as said obligee shall have sustained of money or other personal property (including that for which said obligee is responsible) by any act or acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction, or mis-

*application on the part of said principal, directly or through connivance with others, while (an officer) (in the employ) of said obligee, and during the period commencing....., 19...., and ending with the termination of this suretyship by the retirement of the principal (as an officer) (from the employ) of the obligee, the discovery of loss hereunder, the cancellation of the suretyship by the obligee or the suret...., or by the operation of law.*

*Provided however:*

(1) *That loss be discovered during the continuance of this suretyship or within fifteen months next after its termination and notice thereof delivered to the suret.... within ten days after such discovery.*

(2) *That claim if any, be submitted to the obligee in writing, showing the items and the dates of the losses and delivered to the suret.... within three months after such discovery and the suret.... shall have two months after such claim has been presented in which to verify and to make payment.*

(3) *This suretyship may be terminated by the suret.... upon thirty days' notice to the obligee and likewise the obligee may terminate this suretyship by notice in writing to the suret.... specifying the date of cancellation.*

(4) *It is understood and agreed, that the suret.... shall only be liable hereunder for such proportion of the total loss sustained by the obligee as the penalty of this bond shall bear to the total amount of the bonds furnished by the said principal in favor of the said obligee.*

*In witness whereof, the principal and the suret.... have hereunto set their hands and seals this ..... day of .....*

*A. D., 19.....*

*In presence of:*

.....

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*As to principal.*

.....

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*As to suret...*

Section 2014—11m. Such bonds, *if furnished by personal sureties*, shall be executed or renewed annually, and such bond or renewal thereof shall be filed with the commissioner of banking of this state within ten days next after the approval thereof by the board of directors. *Provided, that if the bond be continuous in form, and executed by a duly licensed corporate surety company as surety, receipts for the annual premium thereon, after*

*the first year, shall be filed with the commissioner of banking within ten days after the renewal date. The minute books of each association shall contain a record of each bond executed and approved.*

Section 2014—11n. Such bonds shall be sufficient in amount to protect the association from loss by reason of \* \* \* *acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction, or misapplication on the part of the principal, directly or through connivance with others.* \* \* \* The commissioner of banking may at any time require additional bond or security when, in his opinion, the bonds then executed and approved are insufficient.

Section 2014—11o. No officer or employe who is required to give bond, shall be deemed qualified to enter upon the discharge of his duties until his bond, *or the renewal or continuance thereof,* shall have been approved by a majority of the board of directors by a written endorsement thereon and filed with the commissioner of banking as herein required.

SECTION 2. This act shall take effect upon passage and publication.

Approved May 14, 1915.

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No. 152, A.]

[Published May 19, 1915.

## CHAPTER 101.

AN ACT to create section 1411m of the statutes, relating to boards of health in cities under special charter and to confer appropriate powers on such boards.

*The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:*

SECTION 1. There is added to the statutes a new section to read: Section 1411m. 1. The council of any city, excepting cities of the first class, existing under special charter or organized under the provisions of sections 925m—301 to 925m—319, inclusive, of the statutes, may by ordinance create a board of health of not less than three nor more members than the number of aldermen elected in such city, provide for the manner of their election or appointment and fix the terms of office of the members of such board. Such ordinance may confer on such board, power to appoint a health officer for such city and to fix his term of office and compensation, subject to the approval of such council.

2. Such board of health shall organize by the election of a president and secretary. The secretary shall keep full minutes