Chapter S-L 10

BONUS PLAN

S-L 10.01 Bonus plan

S-L 10.02 Bonus plan—fixed balances for definite terms

- S-L 10.01 Bonus plans. (1) Plan. Any association may offer a bonus earnings for systematic savings by members by the adoption of any one of the resolutions as contained in Wis. Adm. Code sections S-L 10.01 (2) "120 Monthly Payment Plan," S-L 10.01 (3) "200 Monthly Payment Plan," S-L 10.01 (4) "36 Monthly Payment Plan," or S-L 10.01 (5) "60 Monthly Payment Plan."
- (2) Bonus earnings—120 month payment plan. (a) The form and content of the resolution to be adopted by the board of directors for bonus earnings for systematic monthly savings for the 120 month payment plan shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS FOR SYSTEMATIC MONTHLY SAVINGS

(120 Month Payment Plan)

Upon motion							
mously carried,	the	following	resolution	ı, relati	ve to	Bonus	Earnings
pursuant to sec	tion 1	IV (6) (a	a) of the l	Bylaws,	was	adopted	:

"WHEREAS, the directors of the ______ Savings and Loan Association of _____, Wisconsin, have given consideration for Bonus Earnings to members making regular and systematic, monthly payments on their savings accounts,

"Now, THEREFORE, IT IS RESOLVED, that, effective on the next succeeding earnings distribution date, the _______ Savings and Loan Association of ______, Wisconsin, shall be obligated to pay a Bonus Earnings to members for making regular and systematic, monthly payments on their savings accounts, subject to the conditions hereinafter set forth:

- "1. Any member of the association desiring to participate in Bonus Earnings shall agree to make regular monthly payments of a specified amount on a savings account until the withdrawal value thereof is equal to at least 120 times the agreed monthly payment.
- "2. If the agreed monthly payments are made each and every month thereafter until the withdrawal value of such savings account is equal to at least 120 times the agreed monthly payment, without a delay of more than 60 days in the payment of any agreed monthly payment and without any prepayment of more than 12 months, and if within such period no application has been made for a withdrawal of any part of such instalment savings share account, the Bonus-Earnings shall be payable on the date on which the withdrawal value of such savings account equals or exceeds 120 times the agreed monthly payment.

- "3. The rate of Bonus Earnings on such savings accounts shall be 1% per annum and the amount of the Bonus Earnings shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account by a figure equal to the annual rate of such semi-annual earnings distribution, and the amount of the Bonus Earnings shall be the sum of the quotients obtained: provided, however, that if a member who has agreed to make regular monthly payments on a savings account under this plan shall apply for the withdrawal of such savings account in part or in full, or shall fail to meet any of the other terms of the Bonus Earnings Agreement after withdrawal value of such account shall have reached:
- a. At least 30, but less than 60, times the agreed monthly payment on such account in accordance with the terms of the agreement, such member shall be entitled to receive in addition to the withdrawal value of such account, a Bonus Earnings equivalent to 25 percent of the amount of the Reserve for Bonus which is, at the time of such withdrawal, properly allocable to such account;

b. At least 60, but less than 90, times the agreed monthly payment, 50 percent of such amount; and

c. At least 90, but less than 120, times the agreed monthly payment,

75 percent of such amount.

- "4. The owner of a savings account with a Bonus Earnings Agreement authorized by prior bylaws, upon the exchange of such savings account with a Bonus Earnings provision, authorized by prior bylaws, for savings accounts with Bonus Earnings under the provisions of the _____ Bylaws, have the rights and privileges, and be subject to the duties and liabilities, provided in this resolution, as if originally created under the provisions hereof: provided, that the savings account so exchanged entitled the holder thereof, at the time of such exchange, to an interest in any Reserve for Bonus created under the provisions of prior bylaws.
- "5. The association may credit to the accounts of all members holding savings accounts with Bonus Earnings Agreements in good standing, that amount in the Reserve for Bonus to which they would be entitled if their savings accounts were withdrawn at the time of such credit, and may transfer to Undivided Profits or to other reserves any other amounts in any Reserve for Bonus, and further Bonus Earnings shall be credited to the accounts of members thereto entitled."
- (b) A certified copy of the Resolution shall be submitted to the commissioner after adoption by the board of directors.

(c) Any member desiring to participate in this Bonus Plan shall execute a "Bonus Earnings Agreement", the form and content of which follows:

BONUS EARNINGS AGREEMENT
(120 Month Payment Plan)
Account No
(To be typed) (Surname) (First Name) (Middle Name)
The undersigned, as a member of Savings and Loan Association of, Wisconsin, agrees to make regular monthly payments, on the day of each month after date, of Dollars (\$) on the undersigned's savings account No until the withdrawal value thereof equals Dollars (\$) with the understanding that failure by the undersigned to comply with the conditions provided in the resolution adopted by the directors and approved by the Commissioner of Savings and Loan Associations will merely prevent obtaining any Bonus Earnings.
(Signed)
Date*
*If the member is a co-tenancy, each holder of such joint account should sign the Bonus Earnings Agreement.
(3) Bonus Earnings—200 month payment plan. (a) The fort

(3) Bonus Earnings—200 month payment plan. (a) The form and content of the resolution to be adopted by the board of directors for bonus earnings for systematic monthly savings for the 200 Month Payment Plan shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS FOR SYSTEMATIC MONTHLY SAVINGS

(200 Month Payment Plan)

		by and
unanimously carried, the		
ings, pursuant to section	IV (6) (a) of the 1	Bylaws, was adopted:

"WHEREAS, the directors of the ______ Savings and Loan Association of _____, Wisconsin, have given consideration for Bonus Earnings to members making regular and systematic, monthly payments on their savings accounts,

- "1. Any member of the association desiring to participate in Bonus Earnings shall agree to make regular monthly payments of a specified amount on a savings account until the withdrawal value thereof is equal to at least 200 times the agreed monthly payment.
- "2. If the agreed monthly payments are made each and every month thereafter until the withdrawal value of such savings account is equal to at least 200 times the agreed monthly payment, without a delay of more than 60 days in the payment of any agreed monthly payment and without any prepayment of more than 12 months, and if within such period no application has been made for a withdrawal of any part of such savings account, the Bonus Earnings shall be payable on the date on which the withdrawal value of such savings account equals or exceeds 200 times the agreed monthly payment.
- "3. The rate of Bonus Earnings on such savings accounts shall be 1% per annum and the amount of the Bonus Earnings shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account by a figure equal to the annual rate of such semi-annual earnings distribution, and the amount of the Bonus Earnings shall be the sum of the quotients obtained: provided, however, that if a member who has agreed to make regular monthly payments on a savings account under this plan shall apply for the withdrawal of such savings account in part or in full, or shall fail to meet any of the other terms of the Bonus Earnings Agreement after withdrawal value of such account shall have reached:
- a. At least 50, but less than 100, times the agreed monthly payment on such account in accordance with the terms of the agreement, such member shall be entitled to receive in addition to the withdrawal value of such account, a Bonus Earnings equivalent to 25 percent of the amount of the Reserve for Bonus which is, at the time of such withdrawal, properly allocable to such account;

b. At least 100, but less than 150, times the agreed monthly payment, 50 percent of such amount; and

c. At least 150, but less than 200, times the agreed monthly pay-

ment, 75 percent of such amount.

"5. The association may credit to the accounts of all members holding savings accounts with Bonus Earnings Agreements in good standing, that amount in the Reserve for Bonus to which they would be entitled if their savings accounts were withdrawn at the time of such credit, and may transfer to Undivided Profits or to other reserves any other amounts in any Reserve for Bonus, and further Bonus Earnings shall be credited to the accounts of members thereto en-

titled."

(b) A certified copy of the resolution shall be submitted to the commissioner after adoption by the board of directors.

(c) Any member desiring to participate in this Bonus Plan shall execute a "Bonus Earnings Agreement", the form and content of which follows:

BO.	NUS EARN	INGS AGE	amaia.	JT	15
10.	(200 Month			1.	
	(**************************************	3.4 ·	Account	No	
(To be typed) The undersign	•	(First N	lame)		Name)
and Loan Assoce make regular meach month after the undersigned withdrawal value with the understed ply with the concluder and apply and Association Earnings.	iation of onthly paym r date, of 's savings ace thereof equ anding that ditions provid oproved by t	ents, on the count No. als failure by the din the rommisely prevent	Dollars Dollars Dollars Dothe unde	onsin, agr (\$ un llars (\$ rsigned t adopted of Saving ing any	rees to day of) or til the) o com- by the gs and Bonus
Pate * If the member should sign the Bo		f v			
	onus Barnings	Agreement			

ment plan shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS FOR SYSTEMATIC MONTHLY: SAVINGS

(36 Month Payment Plan)

to the conditions hereinafter set forth:

Upon motion ofs and unanimously carried, the followin Earnings pursuant to Section IV (6) (a	g resolution relative to Bonus
"WHEREAS, the directors of the, Association of, Wis tion for Bonus Earnings to members monthly payments on their savings ac	sconsin, have given considera- naking regular and systematic,
"Now, THEREFORE, IT IS RESOLVED, t ceeding earnings distribution date, the	

and Loan Association of _____, Wisconsin, shall be obligated to pay a Bonus Earnings to members for making regular and systematic, monthly payments on their savings accounts, subject

- "1. Any member of the association desiring to participate in Bonus Earnings shall agree to make regular monthly payments of a specified amount on a savings account until the withdrawal value thereof is equal to at least 36 times the agreed monthly payment.
- "2. If the agreed monthly payments are made each and every month thereafter until the withdrawal value of such savings account is equal to at least 36 times the agreed monthly payment, without a delay of more than 60 days in the payment of any agreed monthly payment and without any prepayment of more than 12 months, and if within such period no application has been made for a withdrawal of any part of such instalment savings share account, the Bonus Earnings shall be payable on the date on which the withdrawal value of such savings account equals or exceeds 36 times the agreed monthly payment.
- "3. The rate of Bonus Earnings on such savings accounts shall be ¼ of 1% per annum and the amount of the Bonus Earnings shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account by a figure equal to the annual rate of such semi-annual earnings distribution, and multiplying the quotient thus obtained by .25: provided, however, that if a member who has agreed to make regular monthly payments on a savings account under this plan shall apply for the withdrawal of such savings account in part or in full, or shall fail to meet any of the other terms of the Bonus Earnings Agreement after withdrawal value of such account shall have reached:
- a. At least 9, but less than 18, times the agreed monthly payment on such account in accordance with the terms of the agreement, such member shall be entitled to receive in addition to the withdrawal value of such account, a Bonus Earnings equivalent to 25 percent of the amount of the Reserve for Bonus which is, at the time of such withdrawal, properly allocable to such account;
- b. At least 18, but less than 27, times the agreed monthly payment, 50 percent of such amount; and
- c. At least 27, but less than 36, times the agreed monthly payment, 75 percent of such amount.
- "4. The owner of a savings account with a Bonus Earnings Agreement authorized by prior bylaws, upon the exchange of such savings account with a Bonus Earnings provision, authorized by prior bylaws, for savings accounts with Bonus Earnings under the provisions of the Bylaws, have the rights and privileges, and be subject to the duties and liabilities, provided in this resolution, as if originally created under the provisions hereof: provided, that the savings account so exchanged entitled the holder thereof, at the time of such exchange to an interest in any Reserve for Bonus created under the provisions of prior bylaws.
- "5. The association may credit to the accounts of all members holding savings accounts with Bonus Earnings Agreements in good standing, that amount in the Reserve for Bonus to which they would be entitled if their savings accounts were withdrawn at the time of such credit, and may transfer to Undivided Profits or to other reserves any other amounts in any Reserve for Bonus, and further Bonus Earnings shall be credited to the accounts of members thereto entitled."

- (b) A certified copy of the resolution shall be submitted to the commissioner after adoption by the board of directors.
- (c) Any member desiring to participate in this Bonus Plan shall execute a "Bonus Earnings Agreement," the form and content of which follows:

		Account	No
(To be typed)	(Surname)	(First Name)	(Middle Name) *
and Loan Assocto make regular each month after on the undersign the withdrawal (\$) undersigned to contain adopted by	monthly pay r date, of ned's savings value there with the un comply with the by the directors and Loan	ments, on the Verments, on the Dollars account No of equals nderstanding that he conditions provers and approved Associations will state of the conditions will st	Visconsin, agrees day of (\$ until Dollars t failure by the rided in the reso- by the Commis-
	(Signe	d)	
			*

(5) Bonus Earnings—60 month payment plan. (a) The form and content of the resolution to be adopted by the board of directors for bonus earnings for systematic monthly savings for the 60 Month Payment Plan shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS FOR SYSTEMATIC MONTHLY SAVINGS

(60 Month Payment Plan)	
Upon motion of, seconded by and unanimously carried, the following resolution, relative to Bonu Earnings, pursuant to section IV (6) (a) of the Bylaws, was adopted	ıs
"Whereas, the directors of the Savings an Loan Association of, Wisconsin, have given consideration for Bonus Earnings to members making regular and systematic, monthly payments on their savings accounts.	1-
"Now, therefore, it is resolved, that, effective on the next succeeding earnings distribution date, the Savings and	

Loan Association of _____, Wisconsin, shall be obligated

- to pay a Bonus Earnings to members for making regular and systematic, monthly payments on their savings accounts, subject to the conditions hereinafter set forth:
- "1. Any member of the association desiring to participate in Bonus Earnings shall agree to make regular monthly payments of a specified amount on a savings account until the withdrawal value thereof is equal to at least 60 times the agreed monthly payment.
- "2. If the agreed monthly payments are made each and every month thereafter until the withdrawal value of such savings account is equal to at least 60 times the agreed monthly payment, without a delay of more than 60 days in the payment of any agreed monthly payment and without any prepayment of more than 12 months, and if within such period no application has been made for a withdrawal of any part of such savings account, the Bonus Earnings shall be payable on the date on which the withdrawal value of such savings account equals or exceeds 60 times the agreed monthly payment.
- "3. The rate of Bonus Earnings on such savings accounts shall be ½ of 1% per annum and the amount of the Bonus Earnings shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account by a figure equal to the annual rate of such semi-annual earnings distribution, and multiplying the quotient thus obtained by .5: provided, however, that if a member who has agreed to make regular monthly payments on a savings account under this plan shall apply for the withdrawal of such savings account in part or in full, or shall fail to meet any of the other terms of the Bonus Earnings Agreement after withdrawal value of such account shall have reached:
- a. At least 15, but less than 30, times the agreed monthly payment on such account in accordance with the terms of the agreement, such member shall be entitled to receive in addition to the withdrawal value of such account, a Bonus Earnings equivalent to 25 percent of the amount of the Reserve for Bonus which is, at the time of such withdrawal, properly allocable to such account;
- b. At least 30, but less than 45, times the agreed monthly payment, 50 percent of such amount; and
- c. At least 45, but less than 60, times the agreed monthly payment, 75 percent of such amount.
- "4. The owner of a savings account with a Bonus Earnings Agreement, authorized by prior bylaws, upon the exchange of such savings account with a Bonus Earnings provision, authorized by prior bylaws, for savings accounts with Bonus Earnings under the provisions of the Bylaws, have the rights and privileges, and be subject to the duties and liabilities, provided in this resolution, as if originally created under the provisions hereof: provided, that the savings account so exchanged entitled the holder thereof, at the time of such exchange, to an interest in any Reserve for Bonus created under the provisions of prior bylaws.
- "5. The association may credit to the accounts of all members holding savings accounts with Bonus Earnings Agreements in good standing, that amount in the Reserve for Bonus to which they would be entitled if their savings accounts were withdrawn at the time of such credit, and may transfer to Undivided Profits or to other reserves any other amounts in any Reserve for Bonus, and further

Bonus Earnings shall be credited to the accounts of members thereto entitled."

- (b) A certified copy of the resolution shall be submitted to the commissioner after adoption by the board of directors.
- (c) Any member desiring to participate in this Bonus Plan shall execute a "Bonus Earnings Agreement," the form and content of which follows:

	BO:	NUS EARNII (60 Month			NT
				Account	No
(To be	typed)	(Surname)	(First	Name)	(Middle Name)
and Loto make each moon the the witt (\$ signed adopted Savings	an Assoce regular onth after undersign hdrawal) wit to comply by the o	iation of monthly payn r date, of gned's savings value thereof h the understa with the con lirectors and a an Association	nents, on s account equals _ anding tl ditions p	the, W the Dollar No hat failure provided in the control of the cont	Savings Visconsin, agrees day of ars (\$) until Dollars re by the under- in the resolution Commissioner of revent obtaining
		(Signed	i)		
Date					*
					such joint account

History: Cr. Register, January, 1964, No. 97, eff. 2-1-64; r. and recr. (1), cr. (4) and (5), Register, January, 1966; No. 121, eff. 2-1-66.

- S-L 10.02 Bonus plan—fixed balances for definite terms. (1) PLANS. (a) Any association, whose current earnings distribution rate is 4.0% per annum or a lesser rate, may offer a bonus earning on savings accounts of members by the adoption of either or both of the resolutions, as contained in subsection (2), "One Year Savings Account Certificates," or in subsection (3), "Three Year Savings Account Certificates."
- (b) Any association, whose current earnings distribution rate is 4.25% per annum, may offer only a bonus earning on savings of members by the adoption of the resolution as contained in subsection (2), "One Year Savings Account Certificates."
- (c) The aggregate return on either, the "One Year Savings Account Certificates", or the "Three Year Savings Account Certificates" shall in no event exceed 4.5%. The 4.5% maximum return means the

annual rate of earnings distribution declared plus the rate of bonus earnings.

- (d) Any association, after the issuance of either, the "One Year Savings Account Certificates," or the "Three Year Savings Account Certificates," that increases its annual rate of earnings distribution, shall reduce the rate of bonus earnings to such rate so as to conform to the maximum return of 4.5% as set forth in par. (c) of this subsection.
- (e) Participation in Bonus Earnings by any member owning either a "One Year Savings Account Certificate" or a "Three Year Savings Account Certificate," shall cease when the annual rate of earnings distribution is increased to 4.5%.
- (f) Any association, making current earnings distribution at a 4.5% per annum rate is prohibited from offering bonus earnings participations on either the "One Year Savings Account Certificates" or the "Three Year Savings Account Certificates."
- (2) BONUS EARNINGS—"ONE YEAR SAVINGS ACCOUNT CERTIFICATES," ISSUED IN AMOUNTS OF \$500 OR MULTIPLES THEREOF. (a) The form and content of the resolution to be adopted by the board of directors for Bonus Earnings on "One Year Savings Account Certificates," issued in amounts of \$500 or multiples thereof, shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS

(On "One Year Savings Account Certificates" issued in Amounts of \$500 or Multiples Thereof)

"Upon n	notion of _	- -			. sec	onded	l by			
and unani	mously car	riec	l. the fo	llowi	ng re	esolut	ion,	rela	tive to 1	Bonus
Earnings,	pursuant	to	Section	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 to members purchasing "One Year Savings Accounts Certificates," issued in \$500 amounts or multiples thereof,

"Now, THEREFORE, IT IS RESOLVED, that effective this date, the ______ Savings and Loan Association shall be obligated to pay a Bonus Earnings to members purchasing "One Year Savings Account Certificates" at the rate of 1/4 per annum, subject to the conditions hereinafter set forth:

- "1. Any member of the association desiring to participate in Bonus Earnings on a "One Year Savings Account Certificate," shall agree to hold such certificate for one year.
- "2. If the member holds his "One Year Savings Account Certificate" for one year, and if within such year he did not make an application for a withdrawal of any part of such savings account certificate, the Bonus Earnings thereon shall be paid to him on the next succeeding earnings distribution date following the maturity date of such certificate.
- "3. If the member applies for a withdrawal on his "One Year Savings Account Certificate" during the one year term or during the

period of maturity to the next succeeding earnings distribution date, his right to participate in Bonus Earnings shall be forfeited.

- "4. The member's right to participate in Bonus Earnings on a "One Year Savings Account Certificate" terminates at the earnings distribution date next succeeding the completion of one year ownership of such certificate.
- "5. The bonus earnings on a "One Year Savings Account Certificate" at a rate of 4% per annum shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account certificate by a figure equal to the annual rate of such semi-annual earnings distribution, and multiplying the quotient thus obtained by .25. Appropriate adjustments in methods of computation of bonus earning must be made to comply with the requirement of Wis. Adm. Code, section S-L 10.02 (1) (d), if the regular earnings distribution rate has been increased.
- "6. The association shall credit all bonus earnings on "One Year Savings Account Certificates" to a Reserve for Bonus, and shall pay the holders of such certificates the total amount of bonus earnings to their credit on the next succeeding earnings distribution date following the one year ownership of such certificates. Any bonus earnings forfeited on "One Year Savings Account Certificates" may be transferred to any general reserves or to undivided profits, or may be used as an offset in the computation of the net additions made to the Reserve for Bonus on any earnings distribution date.

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"7. Any member desiring to participate in Bonus Earnings on a "One Year Savings Account Certificate," issued in amounts of \$500 or multiples thereof, shall execute a "Bonus Earnings Agreement," the form and content of which follows:

Date	(Cert. No
		*
		(Middle Name or Initial)
		(Middle Name or Initial)
for a minimum perings of 4% per a tributed thereon, ings thereon will distribution date aparticipation in tearnings distributificate. It is my searnings may be bonus earnings te	eriod of one year to annum in addition to with the understand be paid only at the following the mature ion following the paid that the following the particular of decreased or the arminated when the gs distribution and the control of the control	qualify for a bonus earn- o qualify for a bonus earn- o the regular earnings dis- ding that the bonus earn- e next succeeding earnings rity date thereof, and that cease at the date of the maturity date of said cer- ing that the rate of bonus right of participation in aggregate of annual rate bonus earnings exceed a
	Signature	3

"8. All savings account certificates as illustrated in Wis. Adm. Code, section S-L 5.03 (1), issued to members for participation in bonus earnings of 4% for ownership thereof for a one year term shall contain the following statement imprinted thereon:

"This certificate is eligible for participation in a bonus earnings of \(\frac{1}{4} \) per annum if held by the member for one year, and that bonus earnings thereon will be paid at the regular earning distribution date following the one year period of ownership, and that participation in bonus earnings will cease at such payment date. The rate of bonus earnings may be decreased or the right of participation in bonus earnings terminated in the event the aggregate of the

annual rate of regular earnings distribution and bonus earnings exceed a 4.5% annual return."

- "9. A certified copy of this resolution shall be submitted to the Savings and Loan Commissioner after adoption by the board of directors."
- (3) Bonus Earnings—"Three year savings account certificates" issued in amounts of \$1,000 or multiples thereof. (a) The form and content of the resolution to be adopted by the board of directors for Bonus Earnings on "Three Year Savings Account Certificates," issued in amounts of \$1,000 or multiples thereof, shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS

(On "Three Year Savings Account Certificates" Issued in Amounts of \$1,000 or Multiples Thereof)

"Upon motion of _____, seconded by _____ and unanimously carried, the following resolution relating to Bonus Earnings, pursuant to Section 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 to members purchasing "Three Year Savings Account Certificates," issued in amounts of \$1,000 or multiples thereof,

"Now, THEREFORE, IT IS RESOLVED, that effective this date, the ______ Savings and Loan Association shall be obligated to pay a Bonus Earnings to members purchasing "Three Year Savings Account Certificates" at the rate of 1/2% per annum, subject to the conditions hereinafter set forth:

- "1. Any member of the association desiring to participate in Bonus Earnings on a "Three Year Savings Account Certificate," shall agree to hold such certificate for three years.
- "2. If the member holds his "Three Year Savings Account Certificate" for three years, and if within such year he did not make an application for a withdrawal of any part of such savings account certificates, the bonus earnings thereon shall be paid to him on the next succeeding earnings distribution date following the maturity date of such certificate.
- "3. If the member applies for a withdrawal on his "Three Year Savings Account Certificate" during the three year term or during the period of maturity to the next succeeding earnings distribution date, his right to participate in Bonus Earnings shall be forfeited.

"4. The member's right to participate in Bonus Earnings on a "Three Year Savings Account Certificate" terminates at the earnings distribution date next succeeding the completion of three year ownership of such certificate.

"5. The Bonus Earnings on a "Three Year Savings Account Certificate" at a rate of ½% per annum shall be determined by dividing the dollar amount of each semi-annual regular earnings distribution on such savings account certificate by a figure equal to the annual rate of such semi-annual earnings distribution, and multiply the quotient thus obtained by .5. Appropriate adjustments in methods of

computation of bonus earnings must be made to comply with the requirement of Wis. Adm. Code, section S-L 10.02 (1) (d), if the regular earnings distribution rate has been increased.

"6. The association shall credit all Bonus Earnings on "Three Year Savings Account Certificates" to a Reserve for Bonus, and shall pay the holders of such certificates the total amount of Bonus Earnings to their credit on the next succeeding earnings distribution date following the three year ownership of such certificates. Any Bonus Earnings forfeited on "Three Year Savings Account Certificates" may be transferred to any General Reserve or Undivided Profits, or may be used as an offset in the computation of the net additions made to the Reserve for Bonus on any earnings distribution date.

"7. Any member desiring to participate in Bonus Earnings on a "Three Year Savings Account Certificate," issued in amounts of \$1,000 or multiples thereof, shall execute a "Bonus Earnings Agree-

BONUS EARNINGS AGREEMENT

ment," the form and content of which follows:

Date		Cert. No
		*
(Last Name)	(First Name)	(Middle Name or Initial) *
(Last Name)	(First Name)	(Middle Name or Initial)
amount of \$for a minimum prearnings of ½% ings distributed to Earnings thereon earnings distributed that participate of the earnings aid certificate. It Bonus Earnings in Bonus Earnings in Bonus Earnings	and continueriod of three yea per annum in addithereon, with the will be paid only in a second of the continuerion of the continuerion in Bonus Engs distribution following the continuerion of the continueri	

"8. All savings account certificates as illustrated in Wis. Adm. Code, section S-L 5.03 (1), issued to members for participation in Bonus Earnings of $\frac{1}{2}$ % for ownership thereof for a three year term shall contain the statement imprinted thereon:

"This certificate is eligible for participation in a Bonus Earnings of ½% per annum if held by the member for three years, and that Bonus Earnings thereon will be paid at the regular earnings distribution date following the three year period of ownership, and that participation in Bonus Earnings will cease at such payment date. The rate of Bonus Earnings may be decreased or the right of participation in Bonus Earnings terminated in the event the aggregate of the annual rate of regular earnings distribution and Bonus Earnings exceed a 4.5% annual return."

"9. A certified copy of this resolution shall be submitted to the Savings and Loan Commissioner after adoption by the board of directors."

History: Cr. Register, January, 1966, No. 121, eff. 2-1-66.