

No. 380, A.]

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CHAPTER 320.

AN ACT to repeal 215.07 (8) and (11), 215.155, 215.255, and 215.312 (4); to repeal and recreate 215.08, 215.10 and 215.11; to amend 215.01 (14), 215.07 (2) and (3), 215.09, 215.13, 215.14, 215.15, 215.19, 215.20 (1) and (2), 215.225, 215.24 (1) and (2), 215.25, 215.26 (1), 215.272, 215.33 (2) (c) and (e), (3), (5), (7) and (11) (a), 215.331 (5) (a), 215.332 (1), 215.335 (2), 215.48 (4), 215.50 (4) (a) and (c) 1 and (8) (a) and (b) and (18) (a); and to create 215.01 (15) 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. Subsection (14) of section 215.01 of the statutes is amended to read:

(215.01) (14) Any association may accept as additional collateral to its bond and mortgage *any other real estate or personal property, or a policy or policies of life insurance issued on the life of any person who is in any way a party to or responsible for the repayment of the mortgage bond.* The association may be named as beneficiary as well as absolute assignee of such policy of life insurance, and, to protect its interest therein, advance premiums thereon in the discretion of the board of directors.

SECTION 2. Subsection (15) of section 215.01 of the statutes is created to read:

(215.01) (15) Chapter 108 shall not apply to any officer or director elected to such office or position for a definite term.

SECTION 3. Section 215.04 of the statutes is amended to read:

215.04 In the event that the banking commission shall refuse to grant a certificate of authority under the provisions of section 215.03, and the applicants for such certificate feel aggrieved at such decision, they may appeal to the * * * *building and loan advisory committee, constituted by section 215.48, and such building and loan advisory committee shall have the*

same jurisdiction over such appeal as the bank review board has over appeals in the case of the incorporation of banks, and the procedure for determination and review under this section shall be the same and as binding as that provided for said board of review with respect to a state bank in section 220.035.

SECTION 4. Subsections (2) and (3) of section 215.07 of the statutes are amended to read:

(215.07) (2) * * * To borrow money, not inconsistent with the objects of the association, and issue its evidences of indebtedness therefor, and assign as collateral security its mortgages, bonds, notes and mortgage its real estate, not exceeding in the aggregate amount * * * *20 per cent of the share liability*, except that with the approval of the commission an association may borrow an amount not exceeding * * * *50 per cent of the share liability*.

(3) To acquire, by purchase or otherwise, only such real estate as may be necessary for the protection or enforcement of its securities and the collection of any claims or debts due to it; * * * *with the advice and approval of the commission to sell or dispose of any or all of its assets to other associations and to acquire by purchase or otherwise all or any part of the property and assets of any other building and loan association; all real estate acquired pursuant to this section shall be sold within 10 years from acquiring title thereto, excepting that the commission may from time to time extend the time within which such real estate shall be sold.*

SECTION 5. Subsections (8) and (11) of section 215.07 of the statutes are repealed.

SECTION 6. Section 215.08 of the statutes is repealed and recreated to read:

215.08 CAPITAL. (1) The capital stock of any such association shall be unlimited; its share capital shall consist of and be the aggregate of payments upon all share accounts and dividends credited thereto, less redemption, repurchase or withdrawal payments or depreciation charges made pursuant to this chapter. The participation value in the share capital of each share account held by a member shall be the aggregate of payments upon such share account and dividends credited thereto less withdrawals, redemption and repurchase payments and depreciation charges.

(2) The capital stock may be made issuable at any time as the directors may determine and shall be divided into two or more classes: (a) Paid-up or investment shares, (b) Instalment or savings shares, which savings shares may be divided into classes as prescribed by the by-laws. Shares paid for in full at the time of issue shall be designated as paid-up or investment shares and shall be issued only in amounts of \$100 or multiples thereof; and shares paid for on a partial payment plan shall be designated as instalment or savings shares. Associations may provide for instalment shares with the matured value of \$100 per share. All share accounts shall be represented by share account books, containing a certificate of membership and evidencing the participation value of the share account, except that paid-up or investment share accounts or savings share accounts may be represented by separate certificates. Payments made upon instalment shares shall be called dues or share payments.

(3) Share accounts may be issued for cash or property in which the association is authorized to invest and in the absence of actual fraud in the transaction the value of property taken in payment therefor as determined by the board of directors shall be conclusive. All share accounts shall be nonassessable; and no holder thereof shall be responsible for any losses incurred by the association beyond the loss of the participation value of his share accounts.

SECTION 7. Section 215.09 of the statutes is amended to read:

215.09 Whenever any shares are withdrawn, forfeited, retired, *repurchased*, *redeemed*, or surrendered the certificate or certificates *and share account books* therefor shall be surrendered and canceled * * *. In case of partial withdrawal, *repurchase or redemption of * * * shares* the certificate representing the same shall be canceled and a new certificate issued for the amount of * * * shares remaining in force, or the withdrawal may be indorsed on the certificate; * * * *if such shares are also evidenced by share account books, the amount of such withdrawal, repurchase, redemption or share loans, if any, shall also be immediately entered therein.* Payments of dues or interest may be made in advance, but no discount shall be allowed therefor and no dividends shall be credited * * * for payments exceeding in amount the regular payments for one year.

SECTION 8. Sections 215.10 and 215.11 of the statutes are repealed and recreated to read:

215.10 REDEMPTION. At any time funds are on hand for the purpose, the association shall have the right to redeem by lot, or otherwise as the board of directors may determine, all or any part of any of its share accounts on a dividend date, by giving 30 days' notice by registered mail addressed to the holders at their last address recorded on the books of the association. The association shall not redeem any of its share accounts when there is an impairment of share capital or when it has applications for repurchase which have been on file more than 30 days and not reached for payment. The redemption price of share accounts redeemed shall be the full value of the share account redeemed, as determined by the board of directors, but in no event shall the redemption price be less than the repurchase value. If a share account which is redeemed is entitled to participate in the reserve for bonus, the amount of such accrued participation shall be paid as part of the redemption price. If the aforesaid notice of redemption shall have been duly given, and if on or before the redemption date the funds necessary for such redemption shall have been set aside so as to be and continue to be available therefor, dividends upon the share accounts called for redemption shall cease to accrue from and after the dividend date specified as the redemption date, and all rights with respect to such share accounts shall forthwith, after such redemption date, terminate, except only the right of the holder of record to receive the redemption price without interest.

215.11 REPURCHASE. The association shall have the right to repurchase its share accounts at any time upon application therefor and to pay to the holders thereof the repurchase value thereof. Holders of share accounts shall have the right to file with the association their written application to repurchase their share accounts, in part or in full, at any time. Upon the filing of such written applications to repurchase, the association shall number and file the same in the order received and shall either pay the holder the repurchase value of the share account, in part or in full as requested, or, after 30 days from the receipt of such application to repurchase, apply a least one-third of the receipts of the association from holders of share accounts and borrowers to the repurchase of such share accounts in numerical

order; provided, that if any holder of a share account applies for the repurchase of more than \$1,000 of his share account or accounts, he shall be paid \$1,000 in order when reached, and his application shall be charged with such amount as paid and shall be renumbered and placed at the end of the list of applications to repurchase, and thereafter, upon again being reached, shall be paid a like amount, but not exceeding the value of his account, and until paid in full shall continue to be so paid, renumbered, and replaced at the end of the list. When an application to repurchase is reached for payment as above provided, a written notice shall be sent to the applicant by registered mail at his last address recorded on the books of the association, and, unless the applicant shall apply in person or in writing for such repurchase payment within 30 days from the date of mailing such notice, no payment on account of such application shall be made and such application shall be canceled. The board of directors shall have the absolute right to repurchase not exceeding \$100 of any one share account or accounts of any one holder in any one month in any order regardless of whether or not such holder has filed an application for repurchase. Holders of share accounts filing written application for repurchase shall remain holders of share accounts until paid and shall not become creditors. Dividends upon a share account, to the extent of the amount of the application to repurchase all or part thereof, shall be discontinued while such share account remains upon the repurchase list. The repurchase value of share accounts of the association shall be the participation value thereof.

SECTION 9. Sections 215.13, 215.14 and 215.15 of the statutes are amended to read:

215.13 When, by making regular weekly or monthly payments as provided for in section 215.08, any stock shall have reached its matured value payment of dues thereon * * * *may at the option of the member cease.* * * * The holders of unpledged shares *may continue to make payments upon such shares or may request the repurchase of such shares by the association, in which event he* shall be paid out of the funds of the association the matured value thereof; * * * provided, that at no time shall more than * * * *one-third* of the monthly receipts of dues and interest of the association be applicable to

the payment of matured or withdrawing 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.

215.14 The funds of the association shall be loaned to members either on the sole security of their share accounts or on the security of first liens on real estate in the manner and upon the terms prescribed in the rules and regulations or in the by-laws; * * * provided the security offered be satisfactory to the board of directors. * * *

215.15 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 50 miles from the office of such association, as the by-laws of each association shall provide, unincumbered 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. Associations may also make mortgage loans to members which shall provide that the dues (principal) paid shall be deducted from the principal amount due on the loan; and the interest charged upon such loan shall be adjusted at least every 6 months on the unpaid balance of the loan on such adjustment date. The monthly payment of dues (principal) and interest shall be of such an amount so that such payments of dues (principal) will retire the loan within 20 years. The mortgage, bond, note or contract may provide that the interest rate may be increased after 3 years from the date of such mortgage, bond, note or contract, by giving to the borrower at least 4 months' notice of such intention. The borrower may after the receipt of such notice repay his loan within the time specified in such notice without the payment of any fine or penalty; provided further that any association may lend to members without the requirement of amortization of principal not exceeding 50 per cent of the appraised value of the security of a first lien on real estate as pro-

vided herein such loans to be repayable in not more than 5 years with or without amortization of principal with interest payable at least semi-annually, but not more than 15 per cent of the share liability of the association may be invested in such loans. Such mortgages shall have priority over all liens, except tax and special assessment liens, upon the mortgaged premises and the buildings and improvements thereon which shall be filed subsequent to the recording of such mortgage. The borrower shall cause the buildings and improvements on any property on which an association has a mortgage to be insured for the benefit of the association against loss by fire, lightning, tornado and wind-storm, in some company or companies to be selected or approved by the board of directors of the association in an amount which they shall designate, and shall keep the building so insured during the continuance of the mortgage. The insurance policy or policies shall remain on deposit with the association until the loan is paid. 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 6 months. If the borrower neglect to offer security satisfactory to the directors, within the time prescribed in the by-laws, his right to a loan shall be forfeited and he * * * *may* be charged with *premium on loan*, one month's interest * * * and any expense incurred, *as the directors may determine*. It shall be unlawful for any association, the assets of which do not exceed \$50,000, to make loans exceeding in the aggregate \$5,000 to one borrower; if its assets exceed \$50,000 but do not exceed \$100,000, it shall be unlawful for it to make loans exceeding in the aggregate \$7,500 to one borrower; if its assets exceed \$100,000 but do not exceed \$200,000, it shall be unlawful for it to make loans exceeding in the aggregate \$10,000 to one borrower; if its assets exceed \$200,000 but do not exceed \$500,000, it shall be unlawful for it to make loans exceeding in the aggregate \$20,000 to one borrower; if its assets exceed \$500,000, it shall be unlawful for it to make loans exceeding in the aggregate \$25,000 to one borrower. It shall be unlawful for any association to make any loan on vacant lands or vacant lots unless such lots are included with other improved real estate or on property used for manufacturing purposes, or upon any theater, public hall, church, school building, hotel or

public garage. *No association shall make any loans to an officer, director, or employe except loans on the sole security of share accounts owned by such officer, director, or employe and except loans on the security of a first lien upon the home, or the combination of home and business property, owned and occupied by such officer, director or employe.*

SECTION 10. Section 215.155 of the statutes is repealed.

SECTION 11. Section 215.19 of the statutes is amended to read:

215.19 Whenever a borrower shall be * * * in arrears * * * *in an amount equal to 6 monthly contractual payments* his whole loan shall become due and payable without deduction of any premium paid; his pledged shares may be declared forfeited and their withdrawal value at the time of the first default, if any payments of dues have been made, applied as a payment on the loan; the balance, or the amount due, with interest and premium, fines and other charges thereon from the time of the first default, may be enforced by proceedings on his security according to law; provided, that any association in the discretion of its board of directors is authorized to accept only payments of interest on the loan and taxes on the mortgaged premises and may waive the payment of dues for periods not exceeding one year at a time. When the amount thus collected exceeds the amount due the excess shall be returned to the defaulting borrower.

SECTION 12. Subsections (1) and (2) of section 215.20 of the statutes are amended to read:

(215.20) (1) Any person, firm, copartnership, corporation, association, the home owners' loan corporation and other federal agencies may become a member of any such association in such manner as may be prescribed in the by-laws; but no person except the home owners' loan corporation and other federal agencies shall in any one association, in his own name or in the name of another, become the owner of shares of instalment stock exceeding in par value the sum of \$25,000; nor of paid-up stock exceeding in par value the sum of \$25,000. Shares may be issued to minors above the age of 14 years, who shall then be subject to the same duties and liabilities as adult members, and such shares, in the discretion of the directors, may be withdrawn by such minor, his parents or guardian, and in

either case the payment made on such withdrawal shall be valid, as well as in relation to payments on shares forfeited, retired or matured. Minors under 14 may hold by trustee or guardian. Each member shall have one vote for each * * * \$100 or fraction thereof appearing in his name on the books of the association *except that each member shall have at least one vote*. The by-laws may prohibit voting by proxy.

(2) Unless expressly * * * *stated in the proxy* no proxy shall be valid unless the same authorizes a vote for the specific meeting or adjournment thereof set forth in said proxy. At no time shall any shareholder be deprived of his vote if he appears at a meeting, in which case his signed proxy shall be null and void for that meeting.

SECTION 13. Section 215.225 of the statutes is amended to read:

215.225 Any member may apply the matured, *repurchase* or withdrawal value of his instalment shares towards the payment of one or more paid-up shares, but at no time shall he be paid any cash for the retirement of such instalment shares while the association shall have on file notices of withdrawals, *requests for repurchase* or unretired matured shares, except as otherwise provided for in this section. If such matured, *repurchase* or withdrawal value is more than one-half of the par value of one paid-up share the member shall pay such difference between the matured or withdrawal value of such instalment share and the par value of such paid-up share, but if the matured or withdrawal value is less than one-half of the par value of one paid-up share, the difference shall be paid to him in cash. * * *

SECTION 14. Subsections (1) and (2) of section 215.24 of the statutes are amended to read:

(215.24) (1) * * * *On June 30 and December 31 of each year* the gross earnings of the association shall be ascertained *for the then ending 6 months period*, from which shall first be deducted *the payment or provision for payment* of the expenses of the association, and from the balance *appropriate transfers* shall be * * * *made to required reserves and undivided profit account*. The balance of the profits shall be declared as a dividend; but no dividends shall be paid or credited except such as have been declared upon said dates; except by building and loan associations, the majority of whose stock is

owned by the employes of public utility, street and interurban railway companies and their associated companies, in which associations earned dividends may be credited and paid at any time; the proportionate amounts may *be paid in cash* or be placed to the credit of holders of instalment stock, and holders of paid-up stock may receive their dividend in cash; provided, that if at the time of such dividend period there be not a sufficient amount in the contingent fund for the payment of losses then existing, no dividend shall be declared and no dividend shall be apportioned or credited on instalment stock and no dividend shall be apportioned, credited or paid on paid-up stock until all losses have been fully paid. Before any dividend shall be declared, credited or paid, at least three-tenths of one per cent per annum of the share and creditor liability shall be set aside as a fund for the payment of contingent losses, until such fund reaches at least 5 per cent of the share and creditor liability. All losses shall be paid out of such fund until the same is exhausted, and whenever said fund falls below 5 per cent of the share and creditor liability aforesaid it shall be replenished by regular appropriations, as hereinbefore provided, until it again reaches said amount. The rate of dividend declared and paid upon paid-up stock shall not exceed the rate declared and credited at the same time upon instalment stock, all dividends to be computed by a uniform method as prescribed by the commission.

(2) At the close of each fiscal year, and at such other time as the banking commission and the building and loan supervisor may direct or the board of directors may determine, it shall be the duty of the president to appoint a committee of 5, 3 of whom shall be members of the board of directors, and 2 shall be stockholders, not directors. It shall be the duty of this committee to examine the assets, books and accounts of the association. In lieu thereof the board of directors may by resolution incorporated in the minute book of the association employ a firm of public accountants or *accept the audit and examination of books and accounts as made by the banking commission* to check the assets of the association and determine any losses which may have been sustained and make a report of all of their findings to the board of directors. It shall thereupon be the duty of the board of directors to charge off all losses so reported, and if there be not a sufficient amount in the contin-

gent fund and the net profits for the period for the payment of such losses, then such losses, or the balance unpaid, shall be apportioned according to the book value of all shares outstanding, whether instalment or paid-up stock, and the proportionate amount shall be charged to each member, except in the case of delinquent associations in which case the losses shall be assessed according to the book value of the shares.

SECTION 15. Section 215.25 of the statutes is amended to read:

215.25 The expenses of every such association shall be paid from its earnings; and no deductions from dues or *share credits* shall be made either directly or indirectly for that purpose. * * *

SECTION 16. Section 215.255 of the statutes is repealed.

SECTION 17. Subsection (1) of section 215.26 of the statutes is amended to read:

(215.26) (1) The articles of association or by-laws of each local association must specify: The manner in which persons may become and cease to be members; the number of shares a member may own; the terms on which certificates for shares are to be issued, the form thereof and the fees therefor; the manner and condition of transfer of shares and fees therefor; the manner of renewing lost or destroyed certificates and fees (whether membership or withdrawal) therefor; the time and manner of paying and the amount of dues, fees, interest, premiums and other charges; the fines for nonpayment of any sum due or for other defaults or violation of rules; whether dividends shall be allowed or dues paid in advance; how shares in default may be forfeited and disposed of; how shares may be withdrawn, the fees to be charged therefor and the proportion of the profits payable on such withdrawal; the regulations as to retiring shares and the amount to be paid holders thereof; the proportion of the profits to be paid the legal representatives of deceased members; the terms and conditions upon which loans may be obtained, paid and canceled; provisions for the custody and handling of securities and the banking and checking of funds; when and how meetings shall be called and held and what shall constitute a quorum; whether voting by proxy be permitted; the election and removal of officers and directors, the filling of vacancies, *giving directors power to appoint and remove by resolution the members of an executive committee,*

*the members of which shall be directors, which committee shall have and exercise the powers of the board of directors between the meetings of the board of directors; defining their duties and determining when and by whom their remuneration shall be fixed, but if the remuneration is fixed by the directors, it shall be fixed by * * * majority vote; and provide such other rules and regulations, not inconsistent with law or the articles of incorporation, as the business of the association may require. The by-laws shall also prescribe that every director shall take and subscribe an oath that he will diligently and honestly perform his duty in such office and will not knowingly violate or permit a violation of any provision of this chapter. The by-laws may further provide for a bonus on instalment savings shares to be paid to shareholders for consistent and regular payments, not in excess of one per cent per annum.*

SECTION 18. Section 215.272 of the statutes is amended to read:

215.272 Every officer, director, employe or agent of any association who shall for himself, directly or indirectly, take, accept or receive, or offer or agree to take, accept or receive any fee, compensation or thing of value whatever from any person in consideration of the association of which he is such officer, director, employe, or agent, loaning any money to such person; or any person who shall for himself or for another directly or indirectly offer, give, present or agree to give or present any fee, compensation, or thing of value to any officer, director, employe, or agent of any association in consideration of the association loaning any money to him, shall be punished by fine not exceeding \$1,000 or by imprisonment in the county jail not exceeding 6 months, or by both such fine and imprisonment, *provided that nothing herein contained shall be construed as prohibiting any association from paying to its officers, directors, or employes commissions on loans, or on the sale of shares or share accounts.*

SECTION 19. Subsection (4) of section 215.312 of the statutes is repealed.

SECTION 20. Paragraphs (c) and (e) of subsection (2) of section 215.33 of the statutes are amended to read:

(215.33) (2) (c) The banking commission may appoint one or more special deputy commissioners as agent or

agents to assist in the duty of liquidation and distribution of the assets of one or more building and loan associations of whose business and property the banking commission shall have taken possession pursuant to the provisions of this chapter. A certificate of such appointment shall be filed in the office of the banking commission and a certified copy in the office of the clerk of the circuit court for the county in which such building and loan association is located. The banking commission may employ such counsel and procure such expert assistance and advice as may be necessary in the liquidation and distribution of the assets of such building and loan associations, and may retain such of the officers or employes of such building and loan associations as they may deem necessary. The special deputy commissioner and assistants shall furnish such security for the faithful discharge of their duties as the banking commission deems proper. Such special deputy commissioner may execute, acknowledge and deliver any and all deeds, assignments, releases or other instruments necessary and proper to effect any sale and transfer or incumbrance of real estate or personal property *and may borrow money for use in the liquidation* after the same has been approved by the banking commission, and an order obtained from the circuit court of the county in which said association is located, as hereinafter provided.

(e) The banking commission may, in the event of its taking possession of any building and loan association, the shares or share accounts of which are to any extent insured by the federal savings and loan insurance corporation, tender to said corporation the appointment as statutory liquidator of such association. If it does not make such tender it shall tender to said federal savings and loan insurance corporation the appointment as statutory coliquidator of such association to act jointly with the banking commission, but such coliquidatorship shall not extend over a period of more than one year from the date of such tender, at the expiration of which time the banking commission shall become the sole liquidator except as herein otherwise provided. The commission shall tender to said corporation the appointment as sole statutory liquidator of such association whenever said corporation shall have become subrogated to the rights of at least 90 per cent of the outstanding liability of such association on shares and share accounts; and

if in addition said corporation shall have deposited with the clerk of the circuit court for the county in which such association is located shares or share accounts in a local insured association * * * not in default at least equal in amount to the shares and share accounts as to which the corporation has not become subrogated, or if the corporation shall become subrogated as to all the shares and share accounts in such association, it may then exercise all the powers and privileges herein conferred upon it without court order or approval. It shall be the duty of such clerk to accept such deposit for the benefit of the persons entitled to such shares or share accounts.

SECTION 21. Subsections (3), (5), and (7) and paragraph (a) of subsection (11) of section 215.33 of the statutes are amended to read:

(215.33) (3) The special deputy commissioner of banking shall cause notice to be given by advertisement in such newspapers as he may direct, weekly, for 3 consecutive weeks, calling on all persons who may have claims against such building and loan association, to present the same to the special deputy commissioner of banking, and make legal proof thereof at a place and within a time, not earlier than the last day of publication, to be therein specified. He shall mail a similar notice to all persons at their last-known address, whose names appear as creditors upon the books of the building and loan association. Proof of service of such notice shall be filed with the clerk of said court. The special deputy commissioner may reject any claim. Any party interested may also file written objections to any claim with the special deputy commissioner of banking and after notice by registered mail of such rejection, said claimant shall be barred unless he commences an action thereon within 3 months. Claims presented after the expiration of the time fixed in the notice to creditors shall be entitled to share in the distribution only to the extent of the assets then in the hands of the special deputy commissioner of banking equitably applicable thereto.

(5) The * * * value of shares pledged upon a loan to such association shall be applied and credited to such loan and the borrower shall be liable only for the balance. The rate of interest charged upon such balance shall be the legal rate. The * * * value shall * * * *be determined in such manner as*

*the banking commission prescribes, and shall be made pursuant to subsections (1) * * * and * * * (3) of section 215.332, or in such other manner as the banking commission may prescribe. Upon the approval of such * * * value by the banking commission and the circuit court of the county in which such building and loan association is located, the book value of each member shall be reduced proportionately. At least 5 days' written notice of such determination of value shall be given to all shareholders of the time and place such value shall be submitted to the circuit court for approval. Should any stockholder or creditor of such association feel aggrieved by any such determination of value, he may at any time within 15 days after the mailing of a notice by the banking commission, addressed to the last-known address of such party, giving notice of such determination and * * * value of such shares, appeal to the supreme court. After the creditors of such association shall have been paid, the association, and the members thereof, may avail themselves of the provisions of section 215.116.*

(7) At any time after the expiration of the date fixed for the presentation of claims, the special deputy commissioner of banking in charge of the liquidation of such building and loan association may, upon a petition approved by the banking commission and an order of the circuit court of the county in which such building and loan association is located, out of the funds remaining, after the payment of expenses and debts, declare one or more dividends, and * * * may declare a final dividend, such dividend to be paid to such persons, and in such amounts as may be directed by the circuit court.

(11) (a) The owners of at least two-thirds of such association's * * * dollar value of outstanding shares, execute a petition to such effect, the form of which shall be prescribed by the banking commission, and

SECTION 22. Paragraph (a) of subsection (5) of section 215.331 of the statutes is amended to read:

(215.331) (5) (a) Upon the signing of a petition, the form of which shall be prescribed by the banking commission, by shareholders owning at least 60 per cent of the dollar value of the outstanding shares of such association, in which petition such shareholders agree to the reinstatement of such association upon the plan provided in section 215.332, such banking com-

mission shall order the holding of a special meeting of such shareholders. There shall be submitted at such special meeting a resolution, the form of which shall be prescribed by the banking commission, rescinding the former action of such shareholders placing such association in voluntary liquidation. Such resolution shall be deemed to have been adopted if the vote in its favor is at least equal to that which adopted the resolution placing such association in voluntary liquidation. If, in addition to the foregoing resolution, such shareholders, by a majority vote of * * * *the dollar value of* shares outstanding, adopt a further resolution, the form of which shall have first been approved by the banking commission, providing that the association be operated as provided in section 215.332, such association will be deemed to be reinstated. Upon such reinstatement the shareholders shall fill all vacancies in the board of directors in accordance with the by-laws. Such directors shall forthwith proceed to appoint the appraisers as provided in subsection (1) of section 215.332, and operate the association as provided therein. Voting by proxy shall be permitted at all meetings of shareholders as provided for in subsection (2) of section 215.20, but such proxies can be held and voted by members only.

SECTION 23. Subsection (1) of section 215.332 of the statutes is amended to read:

(215.332) (1) Whenever from an examination or report, it shall appear to the banking commission that the capital of any association is impaired, or may in the near future become impaired, the banking commission may, with the approval of the building and loan advisory committee, issue an order to such association, requiring the directors to forthwith appoint subject to the approval of the banking commission 3 competent persons, not members of such association, who shall appraise such property owned by, or upon which such association has a mortgage loan or judgment, as the banking commission shall designate. The appraisers so appointed and approved shall appraise and fix the * * * *current market* value of all such property as aforesaid and report their findings to the banking commission and the directors. The value as found by such appraisers shall be the value from which all losses shall be determined.

SECTION 24. Subsection (2) of section 215.335 of the statutes is amended to read:

(215.335) (2) Whenever 2 associations, with the approval of the banking commission, shall by a majority vote of the board of directors of each such association propose to consolidate and such proposed consolidation be ratified and confirmed by the affirmative vote of the shareholders of each such association owning at least two-thirds of the dollar value of its shares outstanding, at a meeting of such shareholders to be held on call of the directors, after sending notice of the time, place and object of the meeting to each shareholder of record by registered mail at least 30 days prior to said meeting.

SECTION 25. Subsection (4) of section 215.48 of the statutes is amended to read:

(215.48) (4) The duties of such committee shall be to advise with the commission and supervisor (or either of them) and others in respect to improvement in the condition and service of building and loan associations in this state * * *, and to serve as an appeal board for building and loan associations as provided by section 215.04 of the statutes with the same procedure and powers as the banking review board has with respect to the incorporation of state banks under chapter 220 of the statutes. Each member of the committee, the supervisor and all employes of the banking * * * commission (building and loan division) shall, with respect to the disclosure of information concerning building and loan associations, be subject to the same requirements and penalties as the commission. Four members of the committee shall constitute a quorum, and a majority shall decide. No member of the committee shall be qualified to act in any matter involving the association of which he is an officer or director.

SECTION 26. Paragraph (a) and subdivision 1 of paragraph (c) of subsection (4) and paragraphs (a) and (b) of subsection (8) and paragraph (a) of subsection (18) of section 215.50 of the statutes are amended to read:

(215.50) (4) (a) To borrow money, * * * and issue its evidences of indebtedness therefor.

(c) 1. To loan money to its member associations on their secured or unsecured notes * * *.

(8) (a) Every member shall pay * * * \$100 for each share of the capital of the building and loan finance corporation issued to it, provided that no association shall subscribe for or hold shares of such capital to an amount in excess of 10 per cent of the resources of such association.

(b) Such shares shall not be transferable, except that a member which is not liable to the building and loan finance corporation for any obligation direct or contingent, may transfer its shares therein to another building and loan association, by and with the consent of the board of directors of the building and loan finance corporation; or it may retire from membership and receive back the value of such shares as shown on the books of the corporation but not exceeding the sums as it has paid for its shares, upon giving one year's notice in writing of such intention, but no withdrawal shall be permitted by the board of directors, which shall reduce the total amount of the capital of the building and loan finance corporation below * * * \$50,000.

(18) (a) The term "association" shall mean a building and loan association organized under the laws of this state * * *, or the United States.

SECTION 27. This act shall take effect upon passage and publication.

Approved June 25, 1941.

No. 406, A.]

[Published June 30, 1941.

CHAPTER 321.

AN ACT to repeal 16.09 (2) (c) and (d), 16.11 (5) and 16.16 (2); to repeal and recreate 16.11 (1); to renumber 16.25 to be 16.25 (1); to amend section 16.01 (2), 16.03 (1), 16.05 (2), 16.105 (1), 16.17 (3), 16.18 (1), 16.19 (3), 16.22, 16.24 (1) (a) and (2); and to create 16.11 (5) and (6), 16.25 (2) and 16.29 (4) of the statutes, relating to the bureau of personnel and the state's civil service.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Subsection (2) of section 16.01 of the statutes is amended to read: