

Chapter S-L 10

BONUS PLAN

S-L 10.01	Bonus plan	S-L 10.04	Bonus plan. Single payment certificates issued in amounts of not less than \$1,000 and held by the owners thereof for a continuous period of not less than 6 months nor more than 12 months.
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.		
S-L 10.03	Bonus plan. Certificate of savings accounts issued in amounts of \$1,000 or multiples thereof and held by the member for not less than 6 consecutive months.		

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."

(a) The maximum rates of earnings imposed by Wis. Adm. Code, section S-L 23.04, for associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, shall not apply to bonus accounts for systematic savings in force as of September 21, 1966.

(b) All bonus accounts for systematic savings, opened after September 21, 1966, by associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, are subject to the maximum return restriction of 5.25% per annum. On such bonus accounts the regular announced earnings rate plus the bonus earnings rate cannot exceed 5.25% per annum.

(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 of _____ seconded by _____ and unanimously carried, the following resolution, relative 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 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.

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

(60 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.

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; cr. (1) (a) and (b), Register, January, 1967, No. 133, eff. 2-1-67.

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 ½ 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.

(a) The maximum rates of earnings imposed by Wis. Adm. Code, section S-L 23.04, for associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, shall not apply to bonus accounts issued under the permissive authority of this section and in force as of September 21, 1966.

(b) Effective September 22, 1966, associations, whose members' accounts are insured by the Federal Savings and Loan Insurance

Corporation, are prohibited from offering bonus accounts to their members under the permissive authority of this section.

(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 $\frac{1}{2}$ 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 $\frac{1}{2}$ 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 Wis. Adm. Code section S-L 10.02 (1).

"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 execute an "APPLICATION AND AGREEMENT FOR BONUS", the form and content which follows:

**"APPLICATION AND AGREEMENT FOR BONUS
ON CERTIFICATES OF SAVINGS ACCOUNTS**

The undersigned hereby executes this Application and Agreement for participation in Bonus Earnings under the Bonus Plan of the (1) _____ Savings and Loan Association of (2) _____, Wisconsin, hereinafter set forth, subject to the Association's Articles of Incorporation, Bylaws, Chap. 215, Wisconsin Statutes, Wisconsin Administrative Code, and the Rules and Regulations for Insurance of Accounts of the Federal Savings and Loan Insurance Corporation.

It is understood and agreed that funds evidenced by Certificate of Savings Account No. (3) _____, in the amount of (4) \$_____ shall be maintained at that amount for at least (5) _____ months, commencing with the date of this agreement, may receive Bonus Earnings of (6) _____ of 1% per annum in addition to the regular earnings distributed on such accounts.

It is understood and agreed that Bonus Earnings applicable to such Certificate of Savings Account during the required period shall be paid on the next succeeding earnings distribution date following the maturity date of said certificate. If the Certificate of Savings Account is maintained beyond the required period stated herein, and if the association authorizes continued distribution of earnings of such accounts in accordance with the terms of this agreement, the Bonus Earnings applicable thereto shall be paid at each regular earnings distribution date.

Signed at _____, Wisconsin, this _____ day of _____, 19____

Signature of member.

Signature of member.

- (1) Insert name of association
- (2) Insert name of City
- (3) Insert number of Certificate of Savings Account
- (4) Insert dollar amount of Certificate
- (5) Insert number of months Certificate of Savings Account must be held
- (6) Insert rate of Bonus Earnings Distribution

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

(4) COMPUTATION OF BONUS EARNINGS. Bonus earnings on certificates of savings 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.

History: Cr. Register, January, 1966, No. 121, eff. 2-1-66; r. and recr. Register, March, 1966, No. 123, eff. 4-1-66; cr. (1) (a) and (b), Register, January, 1967, No. 133, eff. 2-1-67.

S-L 10.03 Bonus plan. Certificate of savings accounts issued in amounts of \$1,000 or multiples thereof and held by the member for not less than 6 consecutive months. (1) PLAN. Any association may offer a bonus earnings up to $\frac{1}{2}$ 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 6 months.

(a) The maximum rates of earnings imposed by Wis. Adm. Code, section S-L 23.04, for associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, shall not apply to bonus accounts issued under the permissive authority of this section and in force as of September 21, 1966.

(b) Effective September 22, 1966, associations, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, are prohibited from offering bonus accounts to their members under the permissive authority of this section.

(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 bonus earnings rates up to $\frac{1}{2}$ of 1% per annum on specified amounts of certificates of savings accounts, provided the minimum period of ownership of said certificate of savings account by the member is for at least 6 consecutive months.

(3) **SPECIMEN RESOLUTION FOR BONUS EARNINGS ON CERTIFICATES OF SAVINGS ACCOUNTS.** "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 $\frac{1}{2}$ of 1% per annum on Certificates of Savings Accounts, issued in amounts of \$1,000 or multiples thereof purchased by members and held by them for not less than 6 months under the permissive authority of Sec. S-L 10.03 (1), Wis. Adm. Code.

"NOW, THEREFORE, BE IT RESOLVED, that effective this date, the _____ Savings and Loan Association of _____, Wisconsin, shall be obligated to pay Bonus Earnings on Certificates of Savings Accounts, issued in amounts of \$1,000 or multiples thereof and held by the member for at least 6 months, at the following rates:

(List rate or rates of Bonus Earnings to be paid and the specified amounts of the Certificates of Savings Accounts)

"Any member, desiring to participate in Bonus Earnings on Certificates of Savings Accounts held for a period of not less than 6 months, shall execute an "APPLICATION AND AGREEMENT FOR BONUS," the form and content which follows:

**“APPLICATION AND AGREEMENT FOR BONUS
ON CERTIFICATES OF SAVINGS ACCOUNTS
HELD FOR A PERIOD OF NOT LESS THAN 6 MONTHS**

The undersigned hereby executes this Application and Agreement for participation in Bonus Earnings under the Bonus Plan of the (1) _____ Savings and Loan Association of (2) _____, Wisconsin, hereinafter set forth subject to the association's Articles of Incorporation, Bylaws, Chap. 215, Wisconsin Statutes, Wisconsin Administrative Code, and Rules and Regulations for Insurance of Accounts of the Federal Savings and Loan Insurance Corporation.

It is understood and agreed that funds evidenced by Certificate of Savings Account No. (3) _____ in the amount of (4) \$_____, shall be maintained at that amount for at least (5) _____ months, commencing with the date of this agreement, may receive Bonus Earnings of (6) _____ of 1% per annum in addition to the regular earnings distributed on such accounts.

It is understood and agreed that Bonus Earnings applicable to such Certificate of Savings Accounts during the required period of ownership shall be paid at the maturity date of said Certificate or on the next succeeding earnings distribution date following the maturity date of said Certificate. If the Certificate of Savings Account is maintained beyond the required 6 month period stated herein and if the association authorizes continued distribution of Bonus Earnings of such accounts in accordance with the terms of this Agreement, the Bonus Earnings applicable thereto shall be paid at each regular earnings distribution date.

Signed at _____, Wisconsin, this ____ day of _____, 19__.

Signature of Member

Signature of Member

- (1) Insert name of association
- (2) Insert name of City
- (3) Insert Certificate number
- (4) Insert dollar amount of Certificate
- (5) Insert number of months
- (6) Insert rate of Bonus Earnings Distribution”

“A certified copy of this resolution shall be submitted to the Commissioner after adoption by the Board of Directors.”

(4) **FORFEITURE OF BONUS.** In the event a member applies for a part or entire withdrawal of a certificate of savings account during the required 6 month period of minimum retention, all right to participate in bonus earnings shall be forfeited.

(5) **PAYMENT OF BONUS EARNINGS.** (a) Bonus earnings on certificate of savings accounts, issued in amounts of \$1,000 or multiples thereof and held by the member for at least 6 months, shall be paid to the member on the maturity date of said certificates or on the next succeeding earnings 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 6 month certificates of savings accounts, after the initial required period of ownership of said certificates, the bonus earnings shall be paid at the next succeeding semiannual distribution date following the maturity date of the certificate.

(6) **TERMINATION OF BONUS EARNINGS.** (a) Participation in bonus earnings on certificates of savings accounts, issued in amounts of \$1,000 or multiples thereof and held by the members for at least 6 months, shall terminate on the maturity date of such certificates, 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 bonus earnings on certificates of savings accounts, issued in amounts of \$1,000 or multiples thereof and held for the required period of 6 months, beyond the maturity date of such certificates, shall be for periods not in excess of 6 months at any time. Resolutions of this type relating to the continuance of distribution of bonus earnings must be made at such intervals prior to the occurrence of maturity dates of existing certificates.

(c) Appropriate notice to 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, issued in amounts of \$1,000 or multiples thereof beyond the 6 month maturity date or extended maturity date of such certificates.

(7) **ABOLISHMENT OF BONUS PLAN ON 6 MONTH CERTIFICATES OF SAVINGS ACCOUNTS.** The board of directors, may by resolution, abolish the bonus plan on 6 month certificates of savings accounts, as authorized by this section, but all contractual obligations on certificates of savings accounts, issued prior to the abolishment date of such bonus plan, shall participate in bonus earnings in accordance with the terms of the "APPLICATION AND AGREEMENT FOR BONUS" signed by the members.

History: Cr. Register, August, 1966, No. 128, eff. 9-1-66; cr. (1) (a) and (b), Register, January, 1967, No. 133, eff. 2-1-67.

S-L 10.04 Bonus plan. Single payment certificates issued in amounts of not less than \$1,000 and held by the owners thereof for a continuous period of not less than 6 months nor more than 12 months.

(1) **PLAN.** Any association, with an announced earnings distribution rate of 4.75% or less per annum on regular accounts, as defined in Wis. Adm. Code, section S-L 23.02 (1), may offer bonus earnings in addition to the regular announced rate on single payment savings account certificates, as authorized under Wis. Adm. Code, section S-L 5.03, issued in amounts of not less than \$1,000 and held by the

owners thereof for a continuous period of not less than 6 months nor more than 12 months.

(2) DISCRETIONARY SELECTION OF BONUS EARNINGS RATE AND THE SPECIFICATION OF MINIMUM AMOUNTS OF SINGLE PAYMENT SAVINGS ACCOUNT CERTIFICATES. (a) Under the permissive authority of this section, any non-insured savings and loan association may, by resolution, fix the rate of bonus earnings and specify the minimum amounts of single payment savings account certificates eligible for participation in such bonus earnings.

(b) Under the permissive authority of this section, any association, whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, may by resolution fix the rate of bonus earnings and specify the minimum amounts of single payment savings account certificates eligible for participation in such bonus earnings, provided that the aggregate return, consisting of the regular announced rate plus the bonus earnings rate does not exceed the 5.25% per annum maximum prescribed in Wis. Adm. Code section S-L 23.05 (1).

(3) SPECIMEN RESOLUTION FOR BONUS EARNINGS ON SINGLE PAYMENT CERTIFICATES. "Upon motion of _____, seconded by _____ and carried, the following resolution relative to Bonus Earnings on Single Payment Savings Account Certificates authorized by Wis. Adm. Code, section S-L 10.04, was adopted pursuant to section IV (6) (a) of the bylaws:

'WHEREAS, the directors of the (1) _____ SAVINGS AND LOAN ASSOCIATION of (2) _____, Wisconsin, have given consideration for Bonus Earnings of (3) _____ % per annum on single payment Savings Account Certificates, issued in amounts of \$(4) _____ or more, and held by the members for a continuous period of not less than 6 months nor more than 12 months under the permissive authority of Wis. Adm. Code, section S-L 10.04 (1).

'NOW, THEREFORE, BE IT RESOLVED, that, effective this date, the (1) _____ SAVINGS AND LOAN ASSOCIATION of (2) _____, Wisconsin, shall be obligated to pay a Bonus Earnings rate of (3) _____ % per annum on Single Payment Savings Account Certificates issued in amounts of \$(4) _____ or more and held by the member for a continuous period of not less than 6 months nor more than 12 months. 'Any member, desiring to participate in Bonus Earnings on Single Payment Savings Account Certificates, held for a continuous period of not less than 6 months nor more than 12 months, shall execute an "APPLICATION AND AGREEMENT FOR BONUS," the form and content of which follows:

- (1) Insert Name of Association
- (2) Insert Name of City
- (3) Insert rate of Bonus Earnings
- (4) Insert minimum qualifying amount

APPLICATION AND AGREEMENT FOR BONUS

The undersigned hereby execute this application and agreement for Bonus under the Bonus Plan of the (1) _____ Savings and Loan Association, (2) _____, Wisconsin, hereinafter set forth, subject to the association's Articles of Incorporation, Bylaws, Chap. 215, Wisconsin Statutes, Wisconsin Administrative Code, and Rules and Regulations for Insurance of Accounts of the Federal Savings and Loan Insurance Corporation.

It is understood and agreed that the funds evidenced by Certificate of Savings Account No. (3) _____, which shall be maintained at not less than \$(4) _____, for (5) _____ months, commencing from the date of this Agreement, may receive extra earnings of (6) _____ per cent per annum in addition to the regular earnings paid on such accounts.

This Application and Agreement for Bonus shall continue for successive qualifying periods of (7) _____ months each, unless cancelled by written notice of the Association to the holder 30 days or more prior to the expiration of the qualifying period, with earnings as herein provided paid to date of cancellation.

It is understood and agreed that extra earnings applicable to such accounts during the required period shall be paid at the end of such period or on the next regular earnings distribution date.

Signed at (2) _____, Wisconsin, this _____ day of _____, 19_____

Signature of Member

Signature of Member

Address of Member

(1) _____ Savings and Loan Association

By _____

- (1) Insert name of Association
- (2) Insert name of City
- (3) Insert number of certificate
- (4) Insert amount of certificate
- (5) Insert a number of not less than 6 nor more than 12
- (6) Insert percentage rate of bonus earnings
- (7) Insert a number of not less than 6 nor more than 12

"A certified copy of this resolution shall be submitted to the Commissioner after adoption by the Board of Directors."

(4) NOTICE OF AVAILABILITY TO MEMBERS. Each association, which determined by resolution, as described in subsection (3), to pay bonus earnings on single payment savings account certificates, shall within 30 days give notice of such determination by at least one of the following means:

(a) By mail to all members having a withdrawable account of at least the qualifying amount; or

(b) By posting of a notice in a conspicuous place in the office of the association for so long as the association continues to offer the plan; or

(c) By publication in a newspaper of general circulation in the city or county in which the office is located.

(5) PAYMENT OF BONUS EARNINGS. Bonus earnings on single payment savings account certificates shall be paid at the end of the initial qualifying period or on the next succeeding earnings distribution date following the initial qualifying period of ownership.

(6) BONUS RESERVE. Bonus earnings unpaid at any regular distribution period shall be fully reserved by appropriate entries.

(7) DISCONTINUANCE OF BONUS PLAN. Appropriate notice to holders of single payment savings certificates participating in bonus earnings shall be made 30 days or more prior to the expiration of a qualifying period, when the board of directors, by resolution, determines to discontinue the bonus plan.

(8) FORFEITURE OF BONUS. In the event a member applies for a partial withdrawal on a single payment saving certificate, either during the initial qualifying period or subsequent renewal qualifying periods, all right to participate in bonus earnings shall be forfeited.

(9) USE OF PASSBOOKS PROHIBITED. The imprinting of or attaching of the single payment savings account certificate and the application and agreement form in a passbook or an account book showing a record of payments and withdrawals is prohibited.

(10) CERTIFICATION BY ASSOCIATION'S ATTORNEY. If the association is one whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, the association's attorney must submit an opinion to the Federal Savings and Loan Insurance Corporation that:

(a) The association's articles of incorporation and bylaws and terms of any other currently issued forms of accounts are not inconsistent with the rules and regulations for insurance of accounts; and

(b) The association's articles of incorporation and bylaws permit the payment of bonus earnings; and

(c) The security form of the single payment savings account certificate conforms to Wisconsin law.

(11) SUPERVISORY APPROVAL EVIDENCE. If the association is one whose members' accounts are insured by the Federal Savings and Loan Insurance Corporation, the association must submit evidence to the Federal Savings and Loan Insurance Corporation that the savings and loan commissioner of Wisconsin has no objection to the issuance of the single payment savings account form in connection with a bonus agreement as authorized under this section.

(12) **MAXIMUM AMOUNT OF SINGLE PAYMENT SAVINGS ACCOUNT CERTIFICATES PARTICIPATING IN BONUS EARNINGS.** No association may issue any single payment savings account certificate participating in bonus earnings at any time when the aggregate of single payment savings accounts participating in bonus earnings under the permissive authority of this section, and any other savings account participating in bonus earnings under Wis. Adm. Code, sections S-L 10.01 (2), (3), (4), (5), S-L 10.02 and S-L 10.03, and single payment variable rate certificates, issued under Wis. Adm. Code, chapter S-L 24, exceeds 50% of the association's total savings capital.

(13) **REGULAR ACCOUNTS EXCHANGED FOR SINGLE PAYMENT BONUS CERTIFICATES.** Members holding savings accounts, evidenced by either passbooks or certificates of savings accounts, may exchange such account or accounts to single payment bonus certificates in qualifying amounts without loss of earnings to date of exchange. Earnings on such accounts exchanged shall be paid on the regular earnings distribution dates.

History: Cr. Register, January, 1967, No. 133, eff. 2-1-67.

Next page is numbered 43

