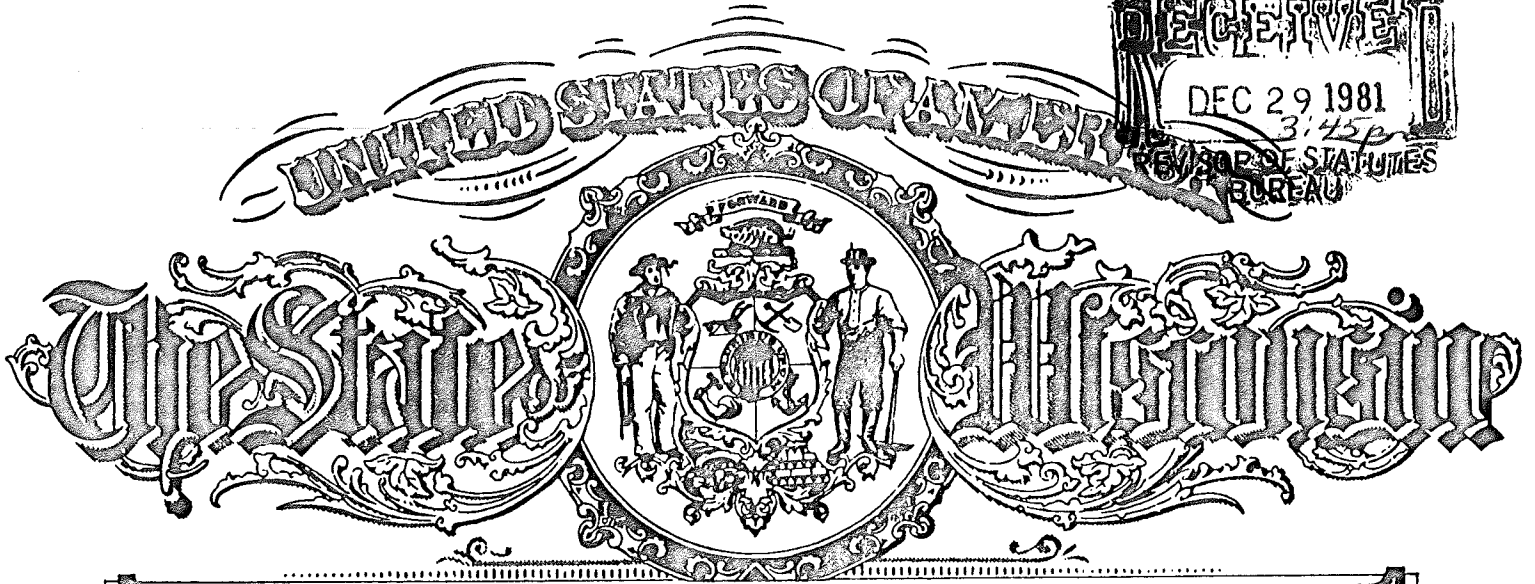


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Office of Commissioner of Savings and Loan

STATE OF WISCONSIN)
OFFICE OF COMMISSIONER OF SAVINGS AND LOAN)

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ORDER NO. 111

I, R. J. McMahon, Commissioner of Savings and Loan and custodian of the official records of the Office of Commissioner of Savings and Loan, do hereby certify that the annexed Order No. 111 relating to the articles of incorporation of state chartered savings and loan associations and the bylaws of state chartered capital stock savings and loan associations, was duly approved and adopted by this office on December 16, 1981.

I further certify that the copy of the Order annexed hereto has been compared by me with the original on file in this office and that the same is a true copy thereof, and the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of this office in the City of Madison this 28th day of December, 1981.



R. J. McMahon
R. J. McMahon, Commissioner

ORDER OF THE
OFFICE OF THE COMMISSIONER OF SAVINGS AND LOAN
REPEALING, RECREATING, AND CREATING RULES

ORDER NO. 111

WHEREAS, the rules embodied by this order were submitted to the Legislative Council staff as required under section 227.029 of the Wisconsin Statutes; and

WHEREAS, in accordance with section 227.021 of the Wisconsin Statutes official notice of a hearing on the rules embodied by this order was published in the Wisconsin Administrative Register of January 1981; and

WHEREAS, pursuant to that notice a public hearing was held on February 25, 1981, at which a draft of the attached rule was the topic of discussion; and

WHEREAS, following that hearing a final draft of the rule was approved by the Commissioner of Savings and Loan and the Savings and Loan Review Board; and

WHEREAS, on October 19, 1981, the final draft of the rule was submitted to the presiding officers of the Senate and Assembly and was referred by those officers to the appropriate standing committee on October 20, 1981 and October 21, 1981, respectively, all in accordance with section 227.018 of the Wisconsin Statutes; and

WHEREAS, neither legislative standing committee has objected to any portion of the proposed rule and the time for so doing has expired;

Now, Therefore, pursuant to the authority vested in the Commissioner of Savings and Loan and the Savings and Loan Review Board by sections 215.02(7)(a) and 227.014(2)(a), Wisconsin Statutes, the Office of the Commissioner of Savings and Loan hereby adopts rules as follows:

ORDER OF THE OFFICE OF THE COMMISSIONER OF SAVINGS
AND LOAN ADOPTING, AMENDING
OR REPEALING RULES

AN ORDER to repeal and recreate chapter S-L 2 and to create S-L 3.02 and 3.03 of the administrative code, relating to the articles of incorporation of state chartered savings and loan associations and the bylaws of state chartered capital stock savings and loan associations.

Analysis by the Office of the Commissioner of Savings and Loan

Sections 215.61(1) and 215.62(1) of the statutes require the articles of incorporation and bylaws of state chartered capital stock savings and loan associations to "be in such form and contain such information as is determined by" the commissioner of savings and loan and the savings and loan review board. Parallel statutory provisions deal with the articles and bylaws of mutual savings and loans. The forms of articles and bylaws approved for use by mutuals are presently found in chapters S-L 2 and S-L 3 of the administrative code.

Because there are presently only four Wisconsin savings and loans organized as capital stock associations, the articles and bylaws of capital stock associations have up to this time been dealt with on a case-by-case basis. However, because of the likelihood of additional capital stock associations and the desirability of affording uniform treatment, the commissioner's office considers it appropriate to establish uniform preapproved capital stock articles and bylaws by rule.

This rule revamps the articles of incorporation approved for use by mutual savings and loans, and prescribes the form and content of articles of incorporation for capital stock savings and loan associations. It also prescribes short form bylaws for capital stock savings and loan associations. The capital stock bylaws have been adapted to make them consistent with that form of business organization and to reflect the state's general business corporation law (chapter 180 of the statutes).

Pursuant to authority vested in the commissioner of savings and loan and the savings and loan review board by sections 215.02(7)(a) and 227.014(2)(a), Stats., the office of the commissioner of savings and loan creates and repeals and recreates rules interpreting sections 215.41(1), 215.61(1) and 215.62(1), Stats., as follows:

SECTION 1. Chapter S-L 2 of the administrative code is repealed and recreated to read:

CHAPTER S-L 2

ARTICLES OF INCORPORATION

S-L 2.01 ARTICLES OF INCORPORATION OF MUTUAL ASSOCIATIONS. The commissioner of savings and loan and the savings and loan review board have under s. 215.41(1), State., approved the following form of articles of incorporation for mutual savings and loan associations:

ARTICLES OF INCORPORATION
OF THE

(full name of association)

a Wisconsin mutual savings and loan association

Article 1. The name of the association is _____.

Article 2. The purpose of the association is to engage in any lawful activity within the purposes for which a mutual savings and loan association may be organized and operated under chapter 215 of the Wisconsin Statutes, and acts amending or supplementing that chapter.

Article 3. The capital of the association is unlimited.

Article 4. The number of directors shall be fixed by bylaw, but may not be less than five.

Article 5. Membership in the association is governed by Chapter 215 of the Wisconsin Statutes, and acts amending or supplementing that chapter.

Article 6. The address of the association's home office at the time of adoption of these articles is _____.

Article 7. The name and address of the association's registered agent at the time of adoption of these articles is _____.

Article 8. The names and addresses of the incorporators are:

NOTE: Article 8 is used only in the case of a new charter.

S-L 2.02 ARTICLES OF INCORPORATION OF CAPITAL STOCK ASSOCIATIONS. The commissioner of savings and loan and the savings and loan review board have under section 215.61(1) of the statutes approved the following form of articles of incorporation for capital stock savings and loan associations:

ARTICLES OF INCORPORATION
OF THE

_____, Inc.
a Wisconsin capital stock savings and loan association

Article 1. The name of the association is _____.

Article 2. The purpose of the association is to engage in any lawful activity for which a capital stock savings and loan association may be organized and operated under chapter 215 of the Wisconsin Statutes, and acts amending or supplementing that chapter.

Article 3. The association is authorized to issue _____ shares of common stock having a par value of \$ _____ per share.

Article 4. Holders of the capital stock of the association are not entitled to any preemptive right with respect to any shares of the association which may be issued.

Article 5. The number of directors shall be fixed by bylaw, but may not be less than five.

Article 6. The address of the association's home office at the time of adoption of these articles is _____.

Article 7. The name and address of the association's registered agent at the time of adoption of these articles is _____.

Article 8. The names and addresses of the incorporators are:

NOTE: Article 8 is used only in the case of a new charter.

S-L 2.03 ARTICLES OF INCORPORATION OF CAPITAL STOCK ASSOCIATION. The commissioner of savings and loan and the savings and loan review board have under section 215.61(1) of the statutes approved the following optional provisions for articles of incorporation of capital stock savings and loan associations which have converted from mutual association status:

Article 9. Pursuant to the requirements of the Rules and Regulations for Insurance of Accounts of the Federal Savings and Loan Insurance Corporation, the association shall establish and maintain a liquidation account for the benefit of its savings account holders as of December 31, 1973 and December 31, 1980 ("eligible savers"). In the event of a complete liquidation of the association, it shall comply with such Rules and Regulations with respect to the amount and the priorities on liquidation of each of the association's eligible saver's inchoate interest in the liquidation account, to the extent it is still in existence. Provided, however, that an eligible saver's inchoate interest in the liquidation account shall not entitle such eligible saver to any voting rights at meetings of the association's stockholders.

Article 10. No person who is significantly engaged in an unrelated business activity shall be permitted, either directly or indirectly or through an affiliate, to acquire control of the association. The terms "affiliate", "control", "significantly engaged" and "unrelated business activity" shall have the meanings defined in Section 563b.3(i)(4) of the Rules and Regulations for Insurance of Accounts (12 CFR 563b.3(i)(4)), as now or hereafter in effect, except that the term "control" shall include the ownership of 10% or more of the outstanding voting securities of the association. The term "person" means an individual or a corporation, partnership, trust, association, joint venture, pool, syndicate, sole proprietorship, unincorporated organization or any other form of entity not specifically listed herein. The provisions of this Article 10 shall only be effective for a period of three years following the effective date of this charter.

S-L 2.04 EXECUTION AND CERTIFICATION OF ARTICLES. Articles of incorporation, restated articles of incorporation, and amendments to articles of incorporation shall be executed and certified in a manner acceptable to the commissioner.

SECTION 2. S-L 3.02 of the administrative code is created to read:

S-L 3.02 BYLAWS OF CAPITAL STOCK ASSOCIATIONS. The commissioner of savings and loan and the savings and loan review board have under s. 215.62(1), Stats., approved the following form of bylaws for the use by capital stock savings and loan associations chartered under chapter 215 of the statutes:

BYLAWS OF THE

(Full name of association)

1.01 HOME OFFICE. The home office of the association is located at _____ in _____ County, Wisconsin.

2.01 APPLICABILITY OF GENERAL CORPORATE LAWS. To the extent that its provisions do not conflict with the association's articles of incorporation, these bylaws, or the laws of this state specifically governing capital stock savings and loan associations, chapter 180 of the Wisconsin Statutes applies to this association and the association's operation.

3.01 MEETINGS OF STOCKHOLDERS. (1) PLACE OF MEETING. Annual and special meetings of stockholders of the association will be held in the state of Wisconsin at a place to be designated by the board of directors and stated in the notice of the meeting.

(2) ANNUAL MEETING. The annual meeting of stockholders of the association for the election of directors and the transaction of other business of the association will be held at a time and date within 120 days after the end of the fiscal year as may be fixed by the board of directors. The board of directors will be elected by majority vote. If the date fixed for the annual meeting is a legal holiday in this state, the annual meeting will be held on the next succeeding business day.

(3) SPECIAL MEETINGS. Special meetings of stockholders may be called at any time by the chairperson of the board or the president. Upon written request of the holders of at least 10 percent of the shares entitled to vote at the meeting or of a majority of the board of directors, the secretary of the association, or a person designated to act in the secretary's absence, will call a special meeting to be held within 60 days after delivery of the request. All requests for special meetings must indicate the purpose for which the meeting is to be called. Written requests for special meetings must be delivered to the association's home office and addressed to the secretary.

(4) NOTICE OF MEETINGS. Written notice of all meetings of the stockholders stating the date, time and place of the meeting will be given to each stockholder of record entitled to vote not less than 10 or more than 50 days before the date of the meeting. Business transacted at a special meeting of stockholders will be limited to the purpose for which the meeting is called, which will be stated in the notice of the special meeting.

(5) QUORUM. A majority of the shares entitled to vote, represented in person or by proxy, constitutes a quorum at a meeting of shareholders. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter is the act of the shareholders, unless the vote of a greater number or voting by classes is required by law or the articles of incorporation. If less than a quorum of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. If a quorum is present at the adjournment meeting any business may be transacted which might have been transacted at the meeting as originally notified. If the adjournment is for more than 30 days, or, if after adjournment a new record date is set, a notice of the adjourned meeting will be given each stockholder of record entitled to vote at the meeting.

(6) STOCKHOLDER VOTING; PROXIES. Each stockholder is entitled to one vote in person or by proxy for each share of capital stock owned. A proxy is void after 11 months from the date of its execution unless otherwise provided in the proxy. Each proxy must be in writing and signed by the stockholder or a duly authorized attorney in fact. If a stockholder appears at a meeting, the proxy is void for that meeting. The board of directors will appoint the persons to vote the proxies, solicited by the association's management.

(7) CONDUCT OF STOCKHOLDERS MEETINGS. All meetings of the stockholders will be conducted in accordance with the most recent available edition of Robert's Rules of Order, unless other written procedural rules are adopted by the stockholders. The chief executive officer, or in the chief executive officer's absence an officer designated by a standing committee of the board of directors, or in the absence of such an officer any person chosen by the stockholders present or represented will preside over the meeting. The secretary of the association will act as secretary of all stockholder meetings, but in the absence of the secretary another person will be appointed by the presiding officer to act in that capacity.

4.01 BOARD OF DIRECTORS. (1) DIRECTORS. (a) Number. The association's board of directors consists of _____ directors.

(b) Term. The term of each director is three years, or until his or her successor is elected and qualified. The terms of directors will be staggered in a manner that will provide for the election of approximately one-third of the board of directors each year.

(c) Qualifications. Directors are not required to be stockholders but must maintain a savings account with the association with a withdrawal value of not less than \$500. At least two-thirds of the entire board must be residents of the State of Wisconsin. (NOTE: ASSOCIATIONS MAY ADD LIMITATIONS ON THE MAXIMUM AGE AT WHICH PERSONS MAY BE NOMINATED TO THE BOARD AND/OR CONTINUE TO SERVE AS A BOARD MEMBER.)

(d) Vacancies. In case of a vacancy on the board of directors the remaining directors may elect a qualified person to fill the vacancy until the next annual meeting of stockholders. At that meeting the stockholders will elect a qualified person to serve for the duration of the unexpired term.

(e) Resignation. A director may resign at any time by delivering a written notice of resignation to the association's home office addressed to its secretary. The written resignation shall take effect upon receipt of the notice of resignation by the secretary or at such later date as may be specified in the notice.

(f) Removal. The board may remove a director or officer for a violation of chapter 215 of the Wisconsin Statutes, a rule or order of the commissioner of savings and loan, the articles of incorporation, the bylaws, or any law governing savings and loan operations, only after affording the director or officer an opportunity to be heard.

(2) MEETINGS OF THE BOARD. (a) Regular meetings. Regular and annual meetings of the board of directors will be held without notice at a place, hour and date fixed by a resolution of the board.

(b) Special meetings. Special meetings of the board of directors will be called by the secretary or person designated to act in the secretary's absence, at the written request of the president, the chairperson of the board, or majority of the board's members. All special meetings must be held upon at least three days notice to each director given either personally or by telegram or by five days notice by mail, unless notice is waived by each director at, before, or after the meeting.

(c) Quorum. A majority of the directors constitutes a quorum of the board of directors. If a quorum is not present, the directors present may adjourn a meeting of the board of directors without notice other than announcement at the meeting until a quorum is present.

(d) Action by unanimous consent. Any action required or permitted to be taken by the board of directors or a committee of the board of directors at a meeting or by resolution may be taken without a meeting if all the directors consent to the action in writing.

(e) Conduct of meetings. Meetings of the board of directors will be conducted in accordance with the most recent available Robert's Rules of Order, unless other written procedural rules are adopted by the board. The chairperson of the board, or in the chairperson's absence a director designated by the chairperson, or in their absence any director chosen by the directors present, will chair the meeting.

(3) Committees. The board of directors may by resolution create committees and prescribe the duties and powers of committees. Committee members will be appointed by the chief executive officer with the approval of the board. A committee may not take action with respect to dividends to stockholders, election of principal officers or the filling of vacancies on the board of directors or committees of the board of directors.

5.01 OFFICERS. (1) DESIGNATION. Each year at the board of directors meeting the board will elect a director to serve as chairperson of the board and appoint a president, secretary, treasurer, one or more vice presidents, and any other association officers they deem necessary. The board will also designate the president or the chairperson of the board as the association's chief executive officer. One person may hold two or more offices, but the president and the chief executive officer may not hold the office of secretary, vice president, or treasurer.

(2) Term of office. The term of each officer is at least one year or until his or her successor is appointed and qualified, unless the officer is lawfully removed prior to that time.

(3) Removal. An officer may be removed at any time by the board of directors without a hearing, except as otherwise provided by 4.01(1)(f).

(4) Vacancies. In case of a vacancy in any office the board of directors will, as soon as practical, fill the vacancy for the unexpired term.

(5) Duties. Each officer of the association is responsible for performing the duties assigned to his or her office by the board of directors, by law, the association's articles of incorporation, or these bylaws. The chief executive officer will serve on a full-time basis.

6.01 INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS. The association may indemnify any present or former officer, director, employe or agent of the association to the extent permitted under chapter 180 of the Wisconsin statutes.

7.01 DELIVERY OF MATERIALS TO THE ASSOCIATION. All materials that these bylaws require to be delivered to the association may be delivered in person or by certified mail. When delivered by certified mail they are deemed to be delivered at the time they are deposited in the United States mail.

8.01 CERTIFICATES FOR SHARES AND THEIR TRANSFER. (1) TRANSFER OF SHARES. Shares of the association may be transferred on the stock transfer books of the association only by their holder of record or a duly authorized representative. All certificates rendered for transfer will be cancelled and no new certificate will be issued until the former certificate for like number of shares has been surrendered. However, in the case of a lost, destroyed or mutilated certificate, a replacement may be issued on such terms and indemnity to the association as the board of directors may prescribe. The person in whose name shares stand on the books of the association will be deemed by the association to be the owner thereof for all purposes.

(2) STOCK REGULATIONS. The board of directors may make further rules governing the issue, transfer and registration of certificates representing the shares of the association.

9.01 FISCAL YEAR. The fiscal year of the association begins on _____ and ends on _____.
(first day of fiscal year) (last day of fiscal year)

10.01 SEAL. The corporate seal of the association consists of two concentric circles between which the name of the association appears. The words "corporate seal" appear at its center.

11.01 AMENDMENTS. (1) BY STOCKHOLDERS. The stockholders of the association may amend or repeal these bylaws or adopt new bylaws by the affirmative vote of a majority of all votes cast at a meeting of stockholders.

(2) BY DIRECTORS. These bylaws may also be amended or repealed and new bylaws may be adopted by the board of directors upon an affirmative vote of at least two-thirds of the directors present at a meeting of directors at which a quorum is present.

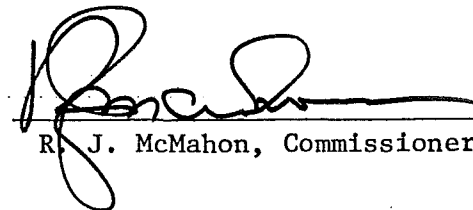
(3) EFFECTIVE DATE. No change to these bylaws will take effect until it has been filed with and approved by the Commissioner of Savings and Loan.

SECTION 3. S-L 3.03 of the administrative code is created to read:

S-L 3.03 TRANSITION. All capital stock savings and loan association bylaws shall be conformed to the approved form under s. S-L 3.02, Wis. Adm. Code, by the date 2 years after the effective date of this rule unless the savings and loan review board and the commissioner of savings and loan specifically approve a different form after the effective date of this rule.

SECTION 4. EFFECTIVE DATE. This order shall take effect on the first day of the month following its publication in the Wisconsin administrative register.

Dated: December 28, 1981



R. J. McMahon, Commissioner