

CR 89-34

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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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SS

CERTIFICATE

ORDER NO. 143

I, Harold N. Lee, Jr., Commissioner of Savings and Loan and custodian of the official records of the Office of the Commissioner of Savings and Loan and of the Savings and Loan Review Board, do hereby certify that the annexed Order No. 143 authorizing savings and loan associations to use the word "bank" in their names, providing a name change procedure and regulating advertising was adopted by this office and approved by the Review Board.

I further certify that that 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 23rd day of August, 1989.



Harold N. Lee, Jr.

Harold N. Lee, Jr., Commissioner

ORDER OF THE
OFFICE OF THE COMMISSIONER OF SAVINGS AND LOAN
AND THE SAVINGS AND LOAN REVIEW BOARD
CREATING RULES

Relating to authorizing savings and loan associations to use the word "bank" in their names, providing a name change procedure and regulating advertising.

Analysis Prepared by the Office of the Commissioner of Savings and Loan

Statutory authority: ss. 215.02(18), Stats.
Statute interpreted: s. 215.02(18), Stats.

Section 215.02(18) authorizes the commissioner, with the approval of the savings and loan review board, to adopt rules permitting state chartered associations to "exercise any right, power or privilege of federally chartered associations permitted under a federal law, regulation or interpretation".

This rule authorizes state chartered associations to exercise the privilege of federally chartered associations permitted under federal law, regulation and interpretation. Two sections are adopted which parallel two federal regulations and which are identical to the language in an emergency rule adopted by the commissioner on December 28, 1988 and effective January 1, 1989 for one year.

Under proposed s. S-L 2.08 (emergency rule s. S-L 1.22, both which parallel 12 CFR s. 543.1), the name of an institution regulated under ch. 215, Stats. may include the word "bank", shall include the word "savings" and shall in some manner indicate that it is a state chartered savings institution.

A name change procedure is prescribed. To change its name, an institution must notify the commissioner in writing of the intended change. The commissioner shall notify the institution of approval or rejection and the grounds for a rejection. On receipt of an approval, the institution may change its name formally by amending its bylaws and articles of incorporation.

Under proposed s. S-L 2.09 (emergency rule s. S-L 1.23, both which parallel 12 CFR s. 543.27), general advertising standards for institutions regulated by the commissioner are established. Such institutions may not use advertising or make any representation which is inaccurate or which misrepresents its services, contracts, investments or financial condition. Any advertising shall indicate that the institution is a "savings" institution except that if the word "bank" not is used in advertising the institution's name, the word "savings" is not required. No institution shall advertise or hold itself out to the public as a commercial bank.

This rule will have no fiscal impact.

This rule will have no effect on any savings and loan association which is a "small business" as defined in s. 227.114(1)(a), Stats.

SECTION 1. S-L 2.08 and S-L 2.09 are created to read:

S-L 2.08 CORPORATE NAME. (ss. 215.02(18) and 215.135, Stats.) (1) GENERAL. The name of an institution regulated under ch. 215, Stats. may include the word "bank" and shall include the word "savings" and in some manner indicate that it is a state chartered savings institution. An institution may not adopt a title that misrepresents the nature of the institution or the services it offers.

(2) NAME CHANGE PROCEDURE. Prior to changing its corporate name, an institution shall file with the commissioner a written notice indicating the intended change. The commissioner shall notify the institution of his or her approval or objection on the grounds set forth in sub. (1). Upon receipt of approval, the institution may change its name by amending its articles of incorporation and bylaws.

NOTE: This section parallels 12 CFR s. 543.1. Amending the articles of incorporation requires a vote of the members of a mutual institution under s. 215.41(4), Stats. or the stockholders of a capital stock institution under s. 215.61(4), Stats.

S-L 2.09 ADVERTISING. (ss. 215.02(18) and 215.135, Stats.) (1) ACCURATE REPRESENTATIONS REQUIRED. No institution regulated by the commissioner may use advertising, including print or broadcast media, displays and signs, stationery and all other promotional materials, or make any representation which is inaccurate or which in any way misrepresents its services, contracts, investments or financial condition.

(2) USE OF WORD "SAVINGS". Any advertising shall specifically indicate that an institution is a "savings" institution except that if the word "bank" is not used in the advertising of the institution's name, the word "savings" need not be used in the advertising. No institution may advertise or hold itself out to the public as a commercial bank.

NOTE: This section parallels 12 CFR s. 563.27.

SECTION 2. EFFECTIVE DATE. Pursuant to s. 227.22(2)(intro.), Stats., this rule shall be effective on the first day of the month commencing after the date of its publication.

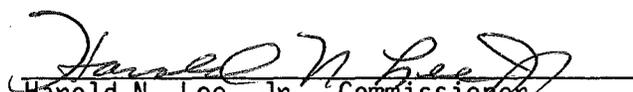
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Pursuant to the authority vested in the commissioner of savings and loan and the savings and loan review board by s. 215.02(18), Stats., they hereby adopt ss. S-L 2.08 and 2.09, relating to authorizing savings and loan associations to use the word "bank" in their names, providing a name change procedure and regulating advertising, effective October 1, 1989.

Dated: August 23, 1989

Attachment

COMMISSIONER OF SAVINGS AND LOAN


Harold N. Lee, Jr., Commissioner

FISCAL ESTIMATE

AD-MBA-23 (Rev. 10/86)

1987 Session

LRB or Bill No./Adm. Rule No.
ss. S-L 2.08 & 2.09
Amendment No. if Applicable

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject Authorizing savings and loan associations to use the word "bank in their names, providing a name change procedure and regulating advertising.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May Be Possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

None

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

These rules authorize state chartered savings and loan associations to exercise the privilege of federally chartered institutions permitted under federal law, regulation and interpretation of including the word "bank" in their names. Two federal regulations are paralleled.

Under proposed s. S-L 2.08, associations may change their name to include the word "bank"; the new name shall include the word "savings" and shall in some manner indicate that they are state chartered savings institutions. A name change procedure is prescribed.

Under proposed s. S-L 2.09, general advertising standards are established. Institutions regulated by the commissioner may not use advertising or make any representation which is inaccurate or which misrepresents their services, contracts, investments or financial condition. Advertising using the word "bank" must indicate that the institution is a "savings" institution.

Long-Range Fiscal Implications

None

Agency/Prepared by: (Name & Phone No.)

Office of Commissioner of Savings & Loan
Harold N. Lee, Jr.

Authorized Signature/Telephone No.

Harold N. Lee, Jr.
Harold N. Lee, Jr., Commissioner
6-1821

Date

2/28/89

Tommy G. Thompson
Governor



Harold N. Lee, Jr.
Commissioner
Paul C. Adamski
Deputy Commissioner

State of Wisconsin
Office of the Commissioner of Savings and Loan

131 West Wilson Street • Suite 502 • Madison, Wisconsin 53702 • (608) 266-1821 • FAX (608) 266-6637

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August 23, 1989

Douglas J. La Follette
Secretary of State
30 W. Mifflin Street
Madison, Wisconsin 53702

Orlan L. Prestegard
Revisor of Statutes
30 West Mifflin Street, # 904
Madison, Wisconsin 53702

Gentlemen:

Pursuant to s. 227.20(1), Stats., enclosed is a certified copy of an administrative rule adopted by this office and the Savings and Loan Review Board and a "Certificate" and "Order" relating to it. This rule is Clearinghouse Rule 89-34, relating to authorizing savings and loan associations to use the word "bank" in their names, providing a name change procedure and regulating advertising.

Sincerely,


Harold N. Lee, Jr.
Commissioner

HNL/k

Enclosures