

## Chapter DFI-CU 60

### SAVINGS, DIVIDEND PERIODS AND EARLY WITHDRAWAL PENALTIES

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**Note:** Chapter CU 60 as it existed on April 30, 1982 was repealed and a new chapter CU 60 was created effective May 1, 1982.

**Note:** Chapter CU 60 was renumbered chapter DFI-CU 60 under s. 13.93 (2m) (b) 1., Stats., and corrections made under s. 13.93 (2m) (b) 6. and 7., Stats., Register, October, 1997, No. 502.

**DFI-CU 60.01 Definition.** In this chapter, “passbook savings account” means any book, statement of account, or similar record in which a running account of all moneys paid in or withdrawn by a credit union member on a savings account are recorded.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82; **2013 Wis. Act 277: am. (title), r. (1), renum. (2) to 60.01 and am. Register May 2014 No. 701, eff. 6-1-14.**

**DFI-CU 60.02 Dividend periods. (1)** The board of directors shall establish the dividend periods applicable to each classification of members savings. Dividends may be calculated on the basis of any time period, from a minimum period of daily to a maximum period of annually.

**(2)** Dividends on each classification of members savings shall be calculated and paid in a consistent manner on all accounts complying with the requirements of that class.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82.

**DFI-CU 60.03 Term share accounts. (1)** The board of directors shall establish the policy with regard to maturities and minimum denominations for each classification of term share account. This policy shall be reviewed from time to time as conditions require.

**(3)** At the option of the credit union, additional deposits may be permitted to term share accounts without extending the original maturity of the term share account.

**(4)** The information contained in s. DFI-CU 60.06 shall be disclosed on all term share accounts or accompanying disclosure forms.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82; **2013 Wis. Act 277: am. (title), (1), r. (2), am. (3), (4) Register May 2014 No. 701, eff. 6-1-14.**

**DFI-CU 60.04 Passbook savings accounts. (1)** The board of directors shall establish the conditions applicable to pass-

book savings accounts. These accounts may be issued in various classifications.

**(2)** Passbook savings accounts may be issued either with or without a stated maturity.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82.

**DFI-CU 60.05 Early withdrawal penalties. (1)** The board of directors shall establish the policy with regard to the penalties for early withdrawal from term share accounts or passbook savings accounts with stated maturities. If early withdrawal penalties are enforced by a credit union, these penalties shall be applied in a consistent manner to all accounts of a similar classification. This policy shall state the conditions under which penalties may be waived or modified.

**(2)** Penalties imposed for early withdrawal from term share accounts or passbook savings accounts with maturities may be deducted from the principal amount of the account balance.

**(3)** For all accounts on which early withdrawal penalties are applicable, at the time of initial deposit the credit union shall provide the member a clear disclosure in writing explaining the penalties and the conditions under which the penalties may be invoked.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82; **2013 Wis. Act 277: am. (1), (2) Register May 2014 No. 701, eff. 6-1-14.**

**DFI-CU 60.06 Credit union dissolution.** The liability for dividends declared by the board of directors on term share accounts and passbook savings accounts shall terminate without penalty to the credit union upon the credit union entering an involuntary dissolution procedure, or if the director shall take possession of the credit union under s. 186.235 (11), Stats. Upon dissolution, the director shall determine the priority of payout of the various classifications of savings.

**History:** Cr. Register, April, 1982, No. 316, eff. 5-1-82; correction made under s. 13.93 (2m) (b) 7., Stats., Register, June, 2000, No. 534; correction made under s. 13.93 (2m) (b) 7., Stats., Register February 2004 No. 578; **2013 Wis. Act 277: am. Register May 2014 No. 701, eff. 6-1-14.**