

Chapter DFI-SB 5

NET WORTH REQUIREMENTS

DFI-SB 5.01 Net worth requirement.

DFI-SB 5.02 Other powers retained.

Note: Chapter SB 5 was renumbered ch. DFI-SB 5 under s. 13.93 (2m) (b) 1., Stats., and corrections made under s. 13.93 (2m) (b) 6. and 7., Stats., Register, November, 1997, No. 503.

DFI-SB 5.01 Net worth requirement. (1) REQUIRED LEVEL. (a) *General provision.* Except as provided in par. (b), a savings bank shall at all times maintain a net worth ratio in an amount not less than 6.0%.

(b) *Exceptions.* The division may require a savings bank to maintain a net worth ratio higher than that specified in par. (a) if the division determines that the nature of the savings bank's operations otherwise entails a risk requiring a greater net worth ratio to assure the savings bank's stability.

(2) ACTIONS TO RE-ESTABLISH COMPLIANCE. (a) *Generally.* If a savings bank's net worth ratio falls below the level required by sub. (1), the division may, by order issued under s. DFI-SB 2.03, direct the savings bank to adhere to a specific written plan established by the division to correct the savings bank's net worth ratio deficiency. In addition to any other provisions, the plan may:

1. Require the savings bank to maintain a level of liquidity specified by the division higher than the requirement of s. DFI-SB 3.08.
3. Prevent the savings bank from originating or purchasing loans of one or more types.
4. Prevent the savings bank from making specified invest-

ments, including investments under ch. DFI-SB 13, 14 or 15, and investments otherwise permitted under ss. 214.485 and 214.49, Stats.

5. Prevent the savings bank from filing applications for branch or limited offices.

6. Prevent the savings bank from opening customer deposit accounts of any specified class, category or amount, or at any specified interest rate.

7. Prevent the savings bank from accepting additions to existing deposit accounts, except under conditions as may be specified by the division.

(b) *Additional measures pertaining to stock savings banks.* Unless the savings bank receives the division's prior written approval, no stock savings bank may pay a dividend to stockholders or otherwise distribute any profits when its net worth ratio is, or if upon such payment or distribution would be, below that required under sub. (1).

Note: This section interprets or implements ss. 214.40 and 214.43, Stats.

History: Cr. Register, February, 1994, No. 458, eff. 3-1-94.

DFI-SB 5.02 Other powers retained. Nothing in this chapter shall limit the division's authority to take other remedial measures as he or she may deem necessary to safeguard the interests of the public, depositors and the savings bank.

Note: This section interprets or implements s. 214.715, Stats.

History: Cr. Register, February, 1994, No. 458, eff. 3-1-94.