

1973 Assembly Bill 353

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CHAPTER 95 , Laws of 1973

AN ACT to amend 222.10, 222.12 (1), 222.13 (2), 222.14 (1), 222.16 and 222.21 (1) (a); and to create 222.14 (3) and (4) of the statutes, relating to mutual savings banks loans, deposits, reserves and bank stations and branches.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 222.10 of the statutes is amended to read:

222.10 (title) Director not to borrow fund; exception. (1) No trustee or director of such mutual savings bank shall be a borrower; or surety for a borrower, of any of its funds, nor receive any money or valuable thing for negotiating, procuring or recommending any loan from such mutual savings bank, nor for selling or aiding in the sale of any stocks, bonds or securities to or by such savings bank, and any such officer who ~~shall violate~~ violates any provision of this section shall forfeit to the state \$1,000.

(2) Notwithstanding sub. (1), a trustee or director may be a borrower as provided for loans to state bank officers under s. 221.31.

SECTION 2. 222.12 (1) of the statutes is amended to read:

222.12 (1) The aggregate amount of deposits to the credit of any individual or any copartnership, corporation or society at any time, shall not exceed the maximum amount insurable by the federal deposit insurance corporation. Additional accounts may, however, be maintained in the name of a parent as trustee for a dependent, or minor child, in the name of a child as trustee for a dependent parent, and in the name of any corporation as trustee for an employe under any system of pensioning, but any mutual savings bank with aggregate deposits exceeding \$1,000,000, may receive from any one individual or any copartnership, corporation or society, a deposit not exceeding ~~one per cent~~ 2% of the total amount of deposits.

SECTION 3. 222.13 (2) of the statutes is amended to read:

222.13 (2) All other loans, except as provided in s. 222.14, shall be secured by mortgage on unencumbered real estate lying in this state or immediately adjoining states. No loan shall be made upon real estate to any amount exceeding 80% of the value thereof as determined by not less than a majority of the members of the finance committee who shall duly certify to the value of the premises to be mortgaged, according to their best judgment, and such report shall be filed and preserved with the records of the corporation. All loans shall be completely amortized within ~~25~~ 30 years. The total amount of any first real estate loan or mortgage loan secondary to federal housing administration loans may exceed the limit herein stated when such excess is guaranteed under the servicemen's readjustment act of 1944, P.L. 78-346, and acts amendatory thereto and supplemental thereto.

SECTION 4. 222.14 (1) of the statutes (as amended effective March 1, 1973) is amended to read:

222.14 (1) No such mutual savings bank shall loan any money upon any obligation unless the same is secured by collateral in which the bank might invest its funds or on which it might loan its money to the extent authorized by s. 222.13, but personal obligation loans may be made not supported by such collateral to an extent of ~~2%~~ 5% of the assets of said bank. No such loan shall exceed ~~\$3,000~~ \$7,000 and shall be payable in not to exceed ~~3~~ 5 years, and 32 days at the maximum interest allowed by the law under ch. 138 or ch. 422 as applicable, except any loan in excess of \$1,000 shall be fully secured or supported by a current sworn financial statement.

SECTION 5. 222.14 (3) and (4) of the statutes are created to read:

222.14 (3) Any mutual savings bank organized hereunder may make loans on the security of its savings accounts or time deposits, whether or not the borrower is the owner of such account, if the bank obtains a pledge of such deposit as security therefor. No such loan, together with accrued interest, may exceed the withdrawable amount of the pledged savings account or time deposit.

(4) Any mutual savings bank organized hereunder may make loans secured by chattel on a mobile home to be maintained as a residence of the borrower or a relative of the borrower if that loan will not exceed the lesser of \$10,000 or 80% of the purchase price or appraised market value of the mobile home including fixtures, furniture and appliances. The loan shall be fully amortized in substantially equal monthly instalments, up to 12 years in the case of a new mobile home or up to 8 years in the case of a used mobile home. The aggregate amount of mobile home loans made by any mutual savings bank may not at any time exceed 5% of the assets of the bank.

SECTION 6. 222.16 of the statutes is amended to read:

222.16 The income or earnings of every mutual savings bank after deduction of all reasonable expenses and reserves incurred in the management thereof, and the amounts reserved for a guaranty fund, shall be divided among the depositors or their legal representatives not less than quarterly at the times approved by its trustees. Every such mutual savings bank shall, before making any disbursement of earnings, reserve as a guaranty fund from the net earnings which have accumulated during the period then next preceding, a sum equal to not less than ~~12 1/2%~~ 8% of the net earning for the preceding period, until such the sum total of the guaranty amounts fund and undivided profits are equal to 10% of the average amount of year end deposits for the preceding 3 years. If a lesser amount will make the guaranty fund equal to 10% of the average amount of deposits for the 3 preceding years, such sums shall be allocated to the guaranty fund as will maintain said guaranty fund in an amount equivalent to 10% of the bank as provided in s. 220.075 (4) and so that the guaranty fund is not less than 8% of year end deposits.

SECTION 7. 222.21 (1) (a) of the statutes is amended to read:

222.21 (1) (a) Every mutual savings bank formed hereunder shall possess the powers and be subject to the provisions of the general laws relating to corporations, so far as the same may be applicable, and shall be subject to all of the provisions of sections ss. 220.04, 220.05, 220.07, 220.08, 220.081, 220.082, 220.085, 220.086, 220.10, ~~221.04 (3), 221.045 and, 221.046, and subsection (3) of section 221.04 relating to fees, reports, examinations, liquidations, powers, liabilities and forfeitures, so far as the same may be applicable, except as herein provided~~ 221.31. Any corporation now organized and doing business as a mutual savings bank shall continue business under this chapter and shall be subject to all of its provisions.
