

Chapter S-L 10

BONUS PLAN

S-L 10.01 Bonus plan

S-L 10.02 Bonus plan. Certificates of savings accounts issued in amounts of \$1,000 or multiples thereof and held by the member for not less than 12 consecutive months.

S-L 10.01 Bonus plans. (1) PLAN. Any association may offer a bonus earnings for systematic savings by members by the adoption of any one of the resolutions as contained in Wis. Adm. Code sections S-L 10.01 (2) "120 Monthly Payment Plan," S-L 10.01 (3) "200 Monthly Payment Plan," S-L 10.01 (4) "36 Monthly Payment Plan," or S-L 10.01 (5) "60 Monthly Payment Plan."

(2) BONUS EARNINGS—120 MONTH PAYMENT PLAN. (a) The form and content of the resolution to be adopted by the board of directors for bonus earnings for systematic monthly savings for the 120 month payment plan shall be in the following form:

SPECIMEN RESOLUTION FOR BONUS EARNINGS FOR SYSTEMATIC MONTHLY SAVINGS

(120 Month Payment Plan)

Upon motion of \_\_\_\_\_ seconded by \_\_\_\_\_ and unanimously carried, the following resolution, relative to Bonus Earnings pursuant to section IV (6) (a) of the Bylaws, was adopted:

"WHEREAS, the directors of the \_\_\_\_\_ Savings and Loan Association of \_\_\_\_\_, Wisconsin, have given consideration for Bonus Earnings to members making regular and systematic, monthly payments on their savings accounts,

"NOW, THEREFORE, IT IS RESOLVED, that, effective on the next succeeding earnings distribution date, the \_\_\_\_\_ Savings and Loan Association of \_\_\_\_\_, Wisconsin, shall be obligated to pay a Bonus Earnings to members for making regular and systematic, monthly payments on their savings accounts, subject to the conditions hereinafter set forth:

"1. Any member of the association desiring to participate in Bonus Earnings shall agree to make regular monthly payments of a specified amount on a savings account until the withdrawal value thereof is equal to at least 120 times the agreed monthly payment.

"2. If the agreed monthly payments are made each and every month thereafter until the withdrawal value of such savings account is equal to at least 120 times the agreed monthly payment, without a delay of more than 60 days in the payment of any agreed monthly payment and without any prepayment of more than 12 months, and if within such period no application has been made for a withdrawal of any part of such instalment savings share account, the Bonus

Earnings shall be payable on the date on which the withdrawal value of such savings account equals or exceeds 120 times the agreed monthly payment.

"3. The rate of Bonus Earnings on such savings accounts shall be 1% per annum and the amount of the Bonus Earnings shall be determined by dividing the dollar amount of each semi-annual, regular earnings distribution on such savings account by a figure equal to the annual rate of such semi-annual earnings distribution, and the amount of the Bonus Earnings shall be the sum of the quotients obtained: provided, however, that if a member who has agreed to make regular monthly payments on a savings account under this plan shall apply for the withdrawal of such savings account in part or in full, or shall fail to meet any of the other terms of the Bonus Earnings Agreement after withdrawal value of such account shall have reached:

a. At least 30, but less than 60, times the agreed monthly payment on such account in accordance with the terms of the agreement, such member shall be entitled to receive in addition to the withdrawal value of such account, a Bonus Earnings equivalent to 25 percent of the amount of the Reserve for Bonus which is, at the time of such withdrawal, properly allocable to such account;

b. At least 60, but less than 90, times the agreed monthly payment, 50 percent of such amount; and

c. At least 90, but less than 120, times the agreed monthly payment, 75 percent of such amount.

"4. The owner of a savings account with a Bonus Earnings Agreement authorized by prior bylaws, upon the exchange of such savings account with a Bonus Earnings provision, authorized by prior bylaws, for savings accounts with Bonus Earnings under the provisions of the ----- Bylaws, have the rights and privileges, and be subject to the duties and liabilities, provided in this resolution, as if originally created under the provisions hereof: provided, that the savings account so exchanged entitled the holder thereof, at the time of such exchange, to an interest in any Reserve for Bonus created under the provisions of prior bylaws.

"5. The association may credit to the accounts of all members holding savings accounts with Bonus Earnings Agreements in good standing, that amount in the Reserve for Bonus to which they would be entitled if their savings accounts were withdrawn at the time of such credit, and may transfer to Undivided Profits or to other reserves any other amounts in any Reserve for Bonus, and further Bonus Earnings shall be credited to the accounts of members thereto entitled."

(b) A certified copy of the Resolution shall be submitted to the commissioner after adoption by the board of directors.