

Chapter S-L 4

REQUIREMENTS TO ORGANIZE A NEW ASSOCIATION

- S-L 4.01 Minimum requirements for capital stock and mutual associations
- S-L 4.02 Expense fund for mutual associations
- S-L 4.03 Restriction upon initial savings investment of incorporators and first board of directors
- S-L 4.04 Insurance of accounts and bank membership
- S-L 4.05 Independent office
- S-L 4.06 Application

**History:** Chapter S-L 4 was repealed and recreated by emergency rule effective 9-28-73. The emergency rule was permanently adopted effective 1-1-74.

**S-L 4.01 Minimum requirements for capital stock and mutual associations.** Set forth in the following table are the minimum dollar amounts and number of persons required to organize a new capital stock or mutual savings and loan association.

Population of Area <sup>1</sup>	Total: Capital Stock and Paid-in Surplus <sup>2 3</sup>	Withdrawable Savings Accounts	
		Stock Applicant <sup>3</sup>	Mutual Applicant <sup>3</sup>
Below 10,000.....	\$ 200,000 (10)	\$300,000 (250)	\$ 400,000 (300)
10,001 to 25,000.....	300,000 (10)	375,000 (275)	500,000 (350)
25,001 to 50,000.....	400,000 (10)	400,000 (300)	550,000 (400)
50,001 to 100,000.....	500,000 (10)	450,000 (325)	600,000 (450)
100,001 to 300,000			
Central Business District.....	600,000 (10)	525,000 (375)	700,000 (550)
Other Areas.....	500,000 (10)	450,000 (325)	600,000 (450)
300,001 to 500,000			
Central Business District.....	800,000 (10)	675,000 (525)	900,000 (700)
Other Areas.....	700,000 (10)	600,000 (450)	800,000 (650)
Over 500,000			
Central Business District.....	1,000,000 (10)	950,000 (725)	1,250,000 (850)
Other Areas.....	900,000 (10)	750,000 (600)	1,000,000 (750)

<sup>1</sup>In determining population, the aggregate population of the metropolitan and trading areas shall be considered. Final determination as to the applicable category shall be made by the commissioner.

<sup>2</sup>The allocation of the proceeds of the issuance of stock between the capital stock and paid-in surplus accounts shall be subject to the commissioner's approval.

<sup>3</sup>Figures in parenthesis indicate the required minimum number of subscribers.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.

**S-L 4.02 Expense fund for mutual associations.** The amount of the expense fund required by subsection 215.07 (6) (a), Wis. Stats., shall be no less than one-half of the minimum savings required by Section S-L 4.01. The commissioner may, at his discretion, require that the expense fund be established in a minimum amount greater than 50% of the minimum required savings accounts.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.

**S-L 4.03 Restriction upon initial savings investment of incorporators and first board of directors.** The incorporators and the first board

of directors of the proposed association shall enter into an agreement with the savings and loan commissioner that any money that they have invested in the association as a part of the initial savings requirement shall not be withdrawn or hypothecated during the first 5 years of business operations.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.

**S-L 4.04 Insurance of accounts and bank membership.** (1) **INSURANCE OF SAVINGS ACCOUNTS.** A proposed mutual association shall not be granted a charter until it has made the necessary arrangements to have its savings accounts insured by the Federal Savings and Loan Insurance Corporation. Any additional minimum savings requirement, that may be imposed as a "Condition of Insurance" by the Federal Savings and Loan Insurance Corporation, shall in no way affect the amount of the expense fund as cited in Section S-L 4.02 above for mutual associations.

(2) **MEMBERSHIP IN THE FEDERAL HOME LOAN BANK.** The proposed association shall not be granted a charter until it has made the necessary arrangements for membership in the Federal Home Loan Bank of Chicago.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.

**S-L 4.05 Independent office.** The proposed association must operate from an independent ground floor office.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.

**S-L 4.06 Application.** Application forms for the organization of a new association shall contain, in addition to that information specified in Chapter 215, Wis. Stats., such other information as the commissioner from time to time considers necessary. When the commissioner determines that additional information beyond that requested in the application form is necessary or desirable he may require the applicant to furnish same.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74.