

ORDER OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SAVINGS INSTITUTIONS

The Wisconsin Department of Financial Institutions, Division of Savings Institutions, proposes an order to create s. DFI—SB 16.03(8) relating to acquiring and holding stock in bank-owned banks.

Analysis Prepared by the Department of Financial Institutions, Division of Savings Institutions:

An order to create s. DFI—SB 16.03(8), relating to acquiring and holding stock in bank-owned banks. Analysis: Statutory authority: ss. 214.03, 214.49(15) and 227.11(2), Stats. Statutes interpreted: ss. 214.03 and 214.49(15), Stats. Summary: The rule would allow state-chartered savings banks, with the prior approval of the division of savings institutions, to acquire and hold stock in any of the following: a bank chartered under s. 221.1202, Stats.; a national bank chartered under 12 USC 27(b)(1); a bank holding company wholly owning a bank chartered under s. 221.1202; or a bank holding company wholly owning a bank chartered under 12 USC 27(b)(1). Section 221.1201 permits state-chartered banks to acquire stock in bank-owned banks. The rule would be the implementing provision under state law authorizing state-chartered savings banks to acquire and hold stock in bank-owned banks. The rule would ensure that state-chartered savings banks will not be at a competitive disadvantage with other financial institutions that have received similar authority under state or federal laws. Agency person to be contacted for substantive questions and responsible for the agency's internal processing: Michael J. Mach for the Department of Financial Institutions, Division of Savings Institutions, P.O. Box 8306, Madison, WI 53708-8306, Tel. (608) 261-2304. Pursuant to the statutory authority referenced above, the Department of Financial Institutions, Division of Savings Institutions adopts the following:

SECTION 1. DFI—SB 16.03(8) is created to read:

DFI—SB 16.03(8) STOCK IN BANK-OWNED BANKS. A savings bank may, with the prior written approval of the division, acquire and hold stock, in an aggregate amount not exceeding 10% of its capital, in one or more of the following:

- (a) A bank chartered under s. 221.1202, Stats.
- (b) A bank chartered under 27 USC 27(b)(1).
- (c) A bank holding company wholly owning a bank under sub. (1) or (2).

This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated: _____

Agency: _____

Michael J. Mach, Administrator
Department of Financial Institutions

Division of Banking

ORDER OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SAVINGS INSTITUTIONS

The Wisconsin Department of Financial Institutions, Division of Savings Institutions, proposes an order to create s. DFI—SB 16.06 relating to acquiring and holding stock in bank-owned banks.

Analysis Prepared by the Department of Financial Institutions, Division of Savings Institutions:

An order to create s. DFI—SL 16.06, relating acquiring and holding stock in bank-owned banks. Analysis: Statutory authority: ss. 215.135, 215.13(26)(f) and 227.11(2), Stats. Statutes interpreted: ss. 215.135 and 215.(26)(f). Summary: The rule would allow state-chartered savings and loan associations, with the prior approval of the division of savings institutions, to acquire and hold stock in any of the following: a bank chartered under s. 221.1202, Stats.; a national bank chartered under 12 USC 27(b)(1); a bank holding company wholly owning a bank chartered under s. 221.1202; or a bank holding company wholly owning a bank chartered under 12 USC 27(b)(1). Section 221.1201 permits state-chartered banks to acquire and hold stock in bank-owned banks. The rule would be the implementing provision under state law authorizing state-chartered savings and loan associations to acquire stock in bank-owned banks. The rule would ensure that state-chartered savings and loan associations will not be at a competitive disadvantage with other financial institutions that have received similar authority under state or federal laws. Agency person to be contacted for substantive questions and responsible for the agency's internal processing: Michael J. Mach for the Department of Financial Institutions, Division of Savings Institutions, P.O. Box 8306, Madison, WI 53708-8306, Tel. (608) 261-2304. Pursuant to the statutory authority referenced above, the Department of Financial Institutions, Division of Savings Institutions adopts the following:

SECTION 1. DFI—SL 16.06 is created to read:

DFI—SL 16.06 Stock in bank-owned banks. An association may, with the prior written approval of the division, acquire and hold stock, in an aggregate amount not exceeding 10% of its capital, in one or more of the following:

- (1) A bank chartered under s. 221.1202.
- (2) A bank chartered under 27 USC 27(b)(1).
- (3) A bank holding company wholly owning a bank under sub. (1) or (2).

This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated: _____

Agency: _____

Michael J. Mach, Administrator

Department of Financial Institutions
Division of Banking