

Chapter DFI-SB 10

BYLAWS

DFI-SB 10.01 Bylaws of a mutual savings bank.

DFI-SB 10.02 Bylaws of a stock savings bank.

DFI-SB 10.03 Optional board of directors' maximum age limitations.

DFI-SB 10.04 Optional anti-takeover provisions for mutual savings bank.

Note: Chapter SB 10 was renumbered ch. DFI-SB 10 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 10.01 Bylaws of a mutual savings bank. The following form of bylaws is approved for use by each mutual savings bank:

BYLAWS OF THE

_____ (Full name of savings bank)

1.01 Home office. The home office of the savings bank is located at _____ in _____ County, Wisconsin.

2.01 Membership. Each person holding a deposit account in the savings bank is a member of the savings bank. The rights of membership are subject to these bylaws, the savings bank's articles of incorporation, the Wisconsin statutes, administrative rules and such resolutions as the savings bank's board of directors may adopt which are consistent with the bylaws, articles, statutes and rules.

3.01 Meetings of members. (1) PLACE OF MEETINGS. Annual and special meetings shall be held at the savings bank's home office or at another place in the same county determined by the board of directors if specifically designated in the notice of meeting.

(2) ANNUAL MEETING. The annual meeting of members of the savings bank for the election of directors and the transaction of any other business will be held on _____ each year (which must be within 120 days after the end of the fiscal year). If the date specified is a legal holiday in this state, the annual meeting will be held the next business day.

(3) SPECIAL MEETINGS. Special meetings of members may be called at any time by the chairperson of the board, the president, the board of directors or the division of savings and loan, or upon the written request of members of record holding at least 20% of the eligible votes. In the latter situation, the secretary of the savings bank, or a person designated to act in the secretary's absence, will call a special meeting to be held within 60 days after delivery of the request. The division may call a special meeting with not less than seven days written or oral notice. All requests for special meetings must indicate the purpose of the meeting. Written requests for special meetings must be delivered to the savings bank's home office and addressed to its secretary.

(4) CONDUCT OF MEMBERS' MEETINGS. All members' meetings will be conducted in accordance with the most recent available edition of Robert's Rules of Order unless other written procedural rules are adopted by the members or by the board of directors and copies are available to the members. The chief executive officer, or in his or her absence, an officer designated by resolution of the board of directors, or in the absence of such designation, any person chosen by the members present, will preside over the meeting. The secretary of the savings bank will act as secretary of all members' meetings, but in his or her absence, another person will be appointed by the presiding officer to act in that capacity.

(5) NOTICE OF MEMBERS' MEETINGS. The secretary will cause notice of the place, day, hour and purpose of a meeting of members to be given at least 10 days but not more than 40 days before the meeting by: (a) mailing a notice to each member at the member's last known post office address as shown on the books of the savings bank; or (b) publishing the notice in a newspaper of general circulation in each community in which the savings bank maintains an office. In addition, the notice will be posted in a conspicuous place in each of the savings bank's offices during the 10 days immediately preceding the date on which the meeting will convene. For an annual meeting, the notice will so state and will contain an agenda of the meeting.

(6) QUORUM. A quorum will be at least one-third of the total number of votes entitled to be cast, either in person or by proxy.

(7) VOTING. The members entitled to vote at a meeting of members are those depositors who were members of record at the end of a day determined by the board which shall be not fewer than 10 days nor more than 60 days preceding the date of the first day of a meeting, except persons who have since ceased to be members. Unless a greater number or margin of votes is required by law, the savings bank's articles of incorporation or these bylaws, a majority of all votes cast at a meeting of members determines any question.

(8) PROXIES. Members may vote in person or by written proxy. All proxies solicited by the savings bank's board of directors or given to the board, a committee established by the board of directors, or an individual designated by the board of directors, shall be voted as directed by a majority vote of the savings bank's entire board of directors.

(9) NEW BUSINESS. Any new business proposed to be conducted at an annual meeting of members must be stated in writing and the writing must be delivered to the savings bank's home office, addressed to its secretary, at least 20 days before the meeting. All new business so stated and delivered will be considered at the annual meeting, but no other proposal may be acted upon. No new business may be acted upon at a special meeting unless that business has been stated in the notice of the special meeting.

4.01 Board of directors. (1) DIRECTORS. (a) *Number.* The savings bank's board of directors consists of _____ directors.

(b) *Term.* The term of each director is 3 years or until his or her death, resignation, removal or a successor is elected and qualified. The terms of directors will be staggered in a manner that will provide for the election of approximately one-third of the board of directors each year.

(c) *Qualifications.* Directors must be adults and at least 2/3 of the directors must be residents of this state.

(d) *Vacancies.* In case of a vacancy on the board of directors, a majority of the remaining directors may elect a qualified member to fill the vacancy until the next annual meeting of members. At that annual meeting, the members shall elect a qualified person to serve for the duration of the unexpired term.

(e) *Nomination and election.* 1. At least 30 days before each annual meeting of members, the chief executive officer must, with the approval of the board of directors, appoint a nominat-

ing committee of three members of the savings bank. No person may stand for election and no director may stand for reelection on a slate of candidates nominated by a committee of which he or she was a member. The committee will nominate at least one qualified member of the savings bank to fill each vacancy on the board of directors and to succeed each director whose term will expire at the annual meeting. Nominations made by the nominating committee must be in writing and must be signed by at least a majority of its members.

2. Any member of the savings bank acting in his or her own membership capacity may nominate a qualified member of the savings bank to fill any vacancy on the board of directors or to succeed each director whose term will expire at the annual meeting. Nominations made by a member acting in his or her own membership capacity must be in writing and signed by the member.

3. All nominations must be delivered to the savings bank's home office addressed to its secretary at least 20 days before the annual meeting of members. The secretary must cause a list of the names of qualified persons whose nominations for the office of director have been duly filed to be posted in a prominent place in each office of the savings bank for a period of at least 10 days before the date of the annual meeting.

4. No other nomination may be considered at the annual meeting. However, if no nomination has been made by either the nominating committee or by a member as provided above, or if the number of qualified persons nominated is not sufficient to fill the vacancies, nominations may be made from the floor by members in attendance at the annual meeting.

(f) *Resignation.* A director may resign at any time by delivering a written resignation to the savings bank's home office addressed to the savings bank's secretary. The resignation shall take effect upon its receipt or at such later date as may be specified in the notice. Unless excused by a resolution of the board of directors, more than 3 consecutive absences from regular meetings of the board automatically constitutes a resignation.

(g) *Removal.* The board may remove a director for a violation of ch. 214, Stats., a rule or order of the division of savings and loan, the articles of incorporation, the bylaws, or any other state or federal law governing savings bank operations or whenever, in the board's judgment, removal is in the best interests of the savings bank. A director may only be removed after being afforded an opportunity to be heard by the board.

(2) MEETINGS OF THE BOARD OF DIRECTORS. (a) *Regular meetings.* Regular meetings of the board of directors will be held at a place, hour and date specified by a resolution of the board.

(b) *Special meetings.* Special meetings of the board of directors may be called by the secretary or a person designated to act in the secretary's absence at the written request of the president, the chairperson of the board, or a majority of the board's members. Each special meeting must be held upon at least 3 days notice to each director given either personally or by facsimile machine or upon at least 5 days notice by mail, unless the director attends the meeting and does not object to the transaction of business because of improper notice or unless notice is waived in writing by each director at, before or after the meeting.

(c) *Action by unanimous consent.* Any action required or permitted to be taken at a meeting by the board of directors or a committee of the board of directors may be taken without a meeting if all the directors consent to the action in writing.

(d) *Quorum.* Unless a greater number or margin of votes is required by law, a majority of the directors constitutes a quorum. A majority of the quorum may approve the business of the meeting.

(e) *Conduct of meetings.* Meetings of the board of directors will be conducted in accordance with the most recent available edition of Robert's Rules of Order, unless other written procedural rules are adopted by the board. The meeting shall be chaired by the chairperson of the board, or in the chairperson's absence a director designated by the chairperson, or in their absence any director chosen by the directors present. The act of the majority of the directors present at any meeting at which there is a quorum is the act of the board, unless the act of a greater number is required by law, the savings bank's articles of incorporation or these bylaws.

(3) POWERS. To the extent that its actions are not contrary to law, the savings bank's articles of incorporation, or these bylaws, the board of directors may:

(a) *Form committees.* Create committees which it deems necessary and prescribe for each committee its duties and authority. Committee members will be appointed by the chief executive officer with the approval of the board.

(b) *Remove personnel.* Remove any employee or committee member at any time with or without cause and any officer if the board determines that removal is in the best interest of the savings bank.

(c) *Extend leniency.* Extend leniency to borrowers in difficult economic circumstances and compromise and settle any debts or claims of the savings bank.

(d) *Act on applications for membership.* Accept or reject any application for membership.

(e) *Make donations.* Approve donations of the savings bank for the public welfare or for charitable, scientific, religious or educational purposes.

(f) *Exercise other powers.* Exercise any other powers of the savings bank not expressly reserved to the members.

5.01 Officers. (1) DESIGNATION. Each year, at the meeting of the board of directors following the annual meeting of members, the board of directors will elect a director to serve as chairperson of the board and will elect a president, secretary, treasurer, one or more vice presidents, and any other savings bank officers it designates by resolution. The savings bank's chief executive officer shall be a director. One person may hold two or more offices, but the chief executive officer may not hold the office of secretary or treasurer.

(2) TERM OF OFFICE. The term of each officer is one year or until his or her successor is elected and qualified, unless the officer is removed earlier by law or in accordance with these bylaws.

(3) VACANCIES. If a vacancy in any office arises, the directors will, as soon as practicable, fill the vacancy for the then unexpired term.

(4) DUTIES. (a) *Chief executive officer.* The chief executive officer will serve on a full time basis and shall have responsibility for the general management and control of the affairs and business of the savings bank.

(b) *Other officers.* Each officer of the savings bank shall perform the duties assigned to his or her office by the board of directors or by state and federal law, the savings bank's articles of incorporation, or these bylaws.

6.01 Indemnification. The savings bank shall indemnify any present or former officer, director, employee or agent to the extent authorized for mutual savings and loan associations under ss. 215.512 to 215.525, Stats.

7.01 Delivery of materials to the savings bank. All materials that these bylaws require to be delivered to the savings bank may be delivered in person or by certified mail. When delivered

by certified mail, they are deemed delivered when deposited in the United States mail.

8.01 Fiscal year. The fiscal year of the savings bank begins on _____ (first day of fiscal year) and ends on _____ (last day of fiscal year).

9.01 Distribution of earnings and net worth. When earnings of the savings bank are distributed to depositors, the distribution will be made on the basis of the amount on deposit in each member's deposit account, at a rate or rates determined by the savings bank's agreement with the member. In the event of liquidation, all owners of deposit accounts will share in the savings bank's net worth, pro rata to the balance in their deposit accounts.

10.01 Corporate seal. The corporate seal of the savings bank consists of two concentric circles between which the name of the savings bank appears. The words "corporate seal" appear at its center.

11.01 Amendments. (1) BY MEMBERS. The members of the savings bank may amend these bylaws or may repeal them and adopt new bylaws by the affirmative vote of a majority of all votes cast at a meeting of members.

(2) BY DIRECTORS. These bylaws may be amended or may be repealed and new bylaws adopted by the board of directors upon an affirmative vote of at least two-thirds of the directors present at a meeting of directors at which a quorum is present.

(3) EFFECTIVE DATE. No amendment to these bylaws will take effect until it has been filed with and approved by the division of savings institutions.

Note: This section implements s. 214.255, Stats.

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

DFI-SB 10.02 Bylaws of a stock savings bank. The following form of bylaws is approved for use by each stock savings bank:

BYLAWS OF THE

(Full name of savings bank)

1.01 Home office. The home office of the savings bank is located at _____ in _____ County, Wisconsin.

2.01 Applicability of general corporate laws. To the extent that its provisions do not conflict with the savings bank's articles of incorporation, these bylaws, or the laws of this state specifically governing capital stock savings banks, ch. 180, Stats., applies to this savings bank and its operation.

3.01 Meetings of stockholders. (1) PLACE OF MEETINGS. Annual and special meetings of stockholders of the savings bank will be held at the savings bank's home office or at another place in the same county if specifically designated in the notice of meeting. A meeting will be held on a date and at a time designated by the board of directors and stated in the notice of the meeting.

(2) ANNUAL MEETING. The annual meeting of stockholders of the savings bank for the election of directors and the transaction of other business will be held on _____ each year (which must be within 120 days after the end of the fiscal year). Directors will be elected by majority vote of stockholders present in person or by proxy. If the date specified is a legal holiday in this state, the annual meeting will be held on the next business day.

(3) SPECIAL MEETINGS. Special meetings of stockholders may be called at any time by the chairperson of the board, the president, the division of savings and loan, the board of directors or upon the written request of the stockholders of at least 20% of

the outstanding stock. In the latter situation, the secretary of the savings bank or a person designated to act in the secretary's absence, will call a special meeting to be held within 60 days after the delivery of the request. The division may call a special meeting with not less than 7 days written or oral notice. All requests for special meetings must be delivered to the savings bank's home office and addressed to its secretary. Business transacted at a special meeting of stockholders will be limited to the purpose for which the meeting is called, which will be stated in the notice of the special meeting.

(4) NOTICE OF MEETINGS. Except as provided in sub. (3), written notice of all meetings of the stockholders shall state the date, time and place of the meeting and shall be given to each stockholder of record entitled to vote not less than 10 or more than 40 days before the date of the meeting. The notice shall be displayed at each office of the savings bank during the 10 days immediately preceding the date on which the meeting will convene.

(5) QUORUM. A majority of the shares entitled to vote, represented in person or by proxy, constitutes a quorum at a meeting of stockholders. If a quorum is present, stockholders may act by the affirmative vote of the majority of the shares present, unless the vote of a greater number or voting by classes is required by law or the articles of incorporation and, after persons who may cast a majority of votes are no longer present, the remaining persons present may continue to transact business until adjournment. If less than a quorum of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting to a future date and time without further notice. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the original adjourned meeting. If the adjournment is for more than 30 days, or, if after adjournment a new record date is set, a notice of the adjourned meeting will be given each stockholder of record entitled to vote at the meeting.

(6) STOCKHOLDER VOTING; PROXIES. Each stockholder is entitled to one vote in person or by proxy for each share of capital stock owned. A proxy is void 11 months after the date of its execution unless otherwise provided in the proxy. Each proxy must be in writing and signed by the stockholder or an authorized representative. The board of directors will appoint the persons to vote the proxies solicited by the savings bank's management and may, by resolution, establish rules regarding the validity of a proxy. A proxy may be revoked by delivery of a subsequently dated proxy; by delivery of a written notice of revocation to the savings bank's secretary; or by the person granting the proxy appearing in person and voting at a meeting.

(7) CONDUCT OF STOCKHOLDERS' MEETINGS. All stockholders' meetings will be conducted in accordance with the most recent available edition of Robert's Rules of Order, unless other written procedural rules are adopted by the board of directors and are available to the stockholders. The chief executive officer, or in the chief executive officer's absence, an officer designated by the board of directors, will preside over the meetings. The secretary of the savings bank will act as secretary of all stockholder meetings, but in his or her absence, another person will be appointed by the presiding officer to act in that capacity.

4.01. Board of directors. (1) DIRECTORS. (a) Number. The savings bank's board of directors consists of _____ directors.

(b) Term. The term of each director is 3 years, or until his or her death, resignation, removal or a successor is elected and qualified. The terms of directors will be staggered in a manner that will provide for the election of approximately one-third of the board of directors each year.

(c) Qualifications. Directors must be adults and at least 2/3 of the directors must be residents of this state.

(d) *Vacancies.* In case of a vacancy on the board of directors, a majority of the remaining directors may elect a qualified person to fill the vacancy until the next annual meeting of stockholders. At that meeting, the stockholders will elect a qualified person to serve for the duration of the unexpired term.

(e) *Resignation.* A director may resign at any time by delivering a written resignation to the savings bank's home office addressed to the savings bank's secretary. The resignation shall take effect upon its receipt or at such later date as may be specified in the notice.

(f) *Removal.* The board may remove a director or officer for a violation of ch. 214, Stats., a rule or order of the division of savings and loan, the savings bank's articles of incorporation or bylaws or any other state or federal law governing savings bank operations. A director may only be removed after being afforded an opportunity to be heard by the board.

(2) MEETINGS OF THE BOARD OF DIRECTORS. (a) *Regular meetings.* Regular meetings of the board of directors may be held without notice at a place, hour and date specified by a resolution of the board. However, immediately following each annual meeting of stockholders, the directors shall convene and elect the board's and savings bank's officers for the ensuing year.

(b) *Special meetings.* Special meetings of the board of directors may be called by the secretary or a person designated to act in the secretary's absence at the written request of the president, the chairperson of the board, or a majority of the board's members. Each special meeting must be held upon at least 3 days notice to each director given either personally or by facsimile machine or by 5 days notice by mail, unless notice is waived by each director at, before, or after the meeting.

(c) *Quorum.* Unless a greater number or margin of votes is required by law, a majority of the directors constitutes a quorum. A majority of the quorum may approve the business of the meeting. If a quorum is not present, the directors present may adjourn the meeting without additional notice than announcement at the meeting until a quorum is present.

(d) *Action by unanimous consent.* Any action required or permitted to be taken at a meeting of the board of directors or a committee of the board of directors may be taken without a meeting if all the directors consent to the action in writing.

(e) *Conduct of meetings.* Meetings of the board of directors will be conducted in accordance with the most recent available Robert's Rules of Order, unless other written procedural rules are adopted by the board. The meeting shall be chaired by the chairperson of the board, or, in the chairperson's absence, a director designated by the chairperson, or, in their absence, any director chosen by the directors present.

(3) COMMITTEES. The board of directors may by resolution create committees and prescribe the duties and authority of each. Committee members will be appointed by the chief executive officer with the approval of the board. A committee may not take action with respect to dividends to stockholders, election of the savings bank's officers or the filling of vacancies on the board of directors or committees of the board of directors.

5.01 Officers. (1) DESIGNATION. Each year, at the board of directors meeting immediately following the annual meeting of stockholders, the board of directors shall elect a director to serve as chairperson of the board and elect a president, secretary, treasurer, one or more vice presidents, and any other savings bank officers it designates by resolution. The board will also designate the president or the chairperson of the board as the savings bank's chief executive officer. One person may hold 2 or more offices, but the president and the chief executive

officer may not hold the office of secretary, vice president or treasurer.

(2) TERM OF OFFICE. The term of each officer is one year or until his or her death, resignation, removal or a successor is appointed and qualified, unless the officer is removed earlier under law or under these bylaws.

(3) VACANCIES. If a vacancy in any office of the board of directors arises, the board, as soon as practicable, will fill the vacancy for the unexpired term.

(4) DUTIES. Each officer of the savings bank shall perform the duties assigned to his or her office by the board of directors, by state and federal law, the articles of incorporation, or these bylaws. The chief executive officer will serve on a full-time basis.

6.01 Indemnification. The savings bank shall indemnify any present or former officer, director, employee or agent of the savings bank to the extent permitted under ss. 180.0850 to 180.0859, Stats.

7.01 Delivery of materials to the savings bank. All materials that these bylaws require to be delivered to the savings bank may be delivered in person or by certified mail. When delivered by certified mail, they are deemed delivered when deposited in the United States mail.

8.01 Stock certificates and their transfer. (1) TRANSFER OF SHARES. Shares of stock in the savings bank may be transferred on the stock transfer books of the savings bank only by their holder of record or an authorized representative. All certificates tendered for transfer will be cancelled; no new certificate will be issued until the former certificate for like number of shares has been surrendered. However, for a lost, destroyed or mutilated certificate, a replacement may be issued on such terms and indemnity to the savings bank as the board of directors may prescribe. The person in whose name shares appear on the books of the savings bank will be deemed the owner for all purposes.

(2) STOCK RULES. The board of directors may, by resolution, adopt further rules governing the issue, transfer and registration of certificates representing the shares of the savings bank.

9.01 Fiscal year. The fiscal year of the savings bank begins on _____ (first day of fiscal year) and ends on _____ (last day of fiscal year).

10.01 Corporate seal. The corporate seal of the savings bank consists of 2 concentric circles between which the name of the savings bank appears. The words "corporate seal" appear at its center.

11.01 Amendments. (1) BY STOCKHOLDERS. The stockholders of the savings bank may amend these bylaws or repeal them and adopt new bylaws by the affirmative vote of a majority of all votes cast at a meeting of stockholders.

(2) BY DIRECTORS. These bylaws may be amended or may be repealed and new bylaws adopted by the board of directors upon an affirmative vote of at least two-thirds of the directors present at a meeting of directors at which a quorum is present.

(3) EFFECTIVE DATE. No amendment to these bylaws will take effect until it has been filed with and approved by the division of savings institutions.

Note: This section implements s. 214.25, Stats.

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

DFI-SB 10.03 Optional board of directors' maximum age limitations. A savings bank may add limitations on the maximum age at which persons may be nominated to or continue to serve on the board of directors. The limitations shall be

stated in the savings bank's bylaws, within article 4.01 (1) (c) ("Qualifications") using one of the following forms:

(1) In addition, no person may be nominated for the office of director if he or she is more than _____ years of age.

(2) In addition, except for directors serving on the board at the time of this bylaw's adoption, no person may be nominated for the office of director if he or she is more than _____ years of age.

(3) In addition, no director may serve beyond the annual meeting of the savings bank's stockholders following the date on which he or she becomes _____ years of age.

(4) In addition, no director may serve beyond the annual meeting of the savings bank's stockholders following the date on which he or she becomes _____ years of age, although persons serving as directors at the time of the adoption of this bylaw may continue to serve out their present terms.

(5) In addition:

1) No person may be nominated for the office of director if he or she is more than _____ years of age.

2) No director may serve beyond the annual meeting of the savings bank's shareholders following the date on which he or she becomes _____ years of age.

(6) In addition:

1) No person may be nominated for the office of director if he or she is more than _____ years of age.

2) No director may serve beyond the annual meeting of the savings bank's stockholders following the date on which he or she becomes _____ years of age, although persons serving as directors at the time of this bylaw's adoption may continue to serve out their present terms.

(7) In addition:

1) Except for directors serving on the board at the time of the adoption of this bylaw, no person may be nominated for the office of director if he or she is more than _____ years of age.

2) No director may serve beyond the annual meeting of the savings bank's stockholders following the date on which he or she becomes _____ years of age.

(8) In addition:

1) Except for persons serving as directors at the time of the adoption of this bylaw, no person may be nominated for the office of director if he or she is more than _____ years of age.

2) No director may serve beyond the annual meeting of the savings bank's stockholders following the date on which he or she becomes _____ years of age, although persons serving as directors at the time of the adoption of this bylaw may continue to serve out their present terms.

(9) In addition, except for persons serving as directors at the time of the adoption of this bylaw:

1) No person may be nominated for the office of director if he or she is more than _____ years of age.

2) No director may serve beyond the annual meeting of the association following the date on which he or she becomes _____ years of age.

History: Cr. Register, February, 1994, eff. 3-1-94.

DFI-SB 10.04 Optional anti-takeover provisions for mutual savings bank. A mutual savings bank may adopt any or all of the following bylaw provisions instead of the language provided in s. DFI-SB 10.01:

(1) *Calling a special meeting.* Instead of bylaw s. 3.01(3), substitute the following: "(3) Special meetings. Special meetings of members may be called at any time by the chairperson of the board, the president, the board of directors, the division of savings institutions in the department of financial institutions and loan or upon the written request of at least 20% of the members of record. In the latter situation, the secretary of the savings bank, or a person designated to act in the secretary's absence, will call a special meeting to be held within 60 days after delivery of the request. The division may call a special meeting with not less than 7 days written or oral notice. Such request by members shall include the members' account numbers for identification purposes, signature, and date of signature. All requests for special meetings must indicate the purpose for which the meeting is to be called. Written requests for special meetings must be delivered to the savings bank's home office and addressed to its secretary and shall be signed within the 60 day period immediately preceding delivery."

(2) *Limitation on the voting of proxies.* Instead of bylaw s. 3.01 (8), substitute the following: "(8) Proxies. Members may vote in person or by written proxy. All proxies solicited by the savings bank's board of directors and given to the board, a committee established by the board of directors, or an individual designated by the board of directors, shall be voted as directed by a majority vote of the savings bank's entire board of directors except that a four-fifths vote of the entire board of directors shall be required to exercise proxies in favor of a resolution to amend or repeal and recreate the bylaws."

(3) *Proxy solicitation.* Add the following language to bylaw s. 3.01 (8): "Except for the board of directors or its designee, any individual or other person or entity that wishes to solicit the proxies of five or more members of the savings bank must first deliver written notice of intent to so solicit to the home office of the savings bank, addressed to the secretary, at least sixty days prior to commencing the solicitation. Said notice must contain the specific purpose of such solicitation."

(4) *Board members' terms.* Instead of bylaw s. 4.01 (1) (b), substitute the following: "(b) *Term.* The term of each director is five years, or until his or her death, resignation, removal or a successor is elected and qualified. The terms of directors will be staggered in a manner that will provide for the election of approximately one-fifth of the board of directors each year."

(5) *Directors' vote on merger, liquidation or conversion to stock form.* Add a bylaw s. 4.01 (2) (f) reading: "(f) *Vote on merger or change in form.* The affirmative vote of four-fifths of the directors present at a meeting at which a quorum is present shall be required to make a resolution an effective act of the board if such resolution approves a change in the form of governance of the savings bank to any form other than that of a mutual savings bank, or if such resolution approves an absorption of or by the savings bank, a liquidation, or a merger of the savings bank with another institution."

(6) *Members amending the bylaws.* Instead of bylaw s. 11.01 (1), substitute the following: "11.01 **Amendments.** (1) **BY MEMBERS.** The members of the savings bank may amend these bylaws or repeal them and adopt new bylaws by the affirmative vote of a majority of all votes cast at a meeting of members. The effective date of changes to the bylaws approved by members as provided herein shall be three years from the date approved by the division of savings institutions. Any such changes proposed by members will be considered at a meeting of members upon the written request of 20% of all members. Such requests shall include the member's account numbers for identification purposes, signature, date of signature and the specific change to be considered. All such requests shall be delivered to the secretary of the savings bank at the home office and shall be signed within the sixty day period immedi-

ately preceding such delivery. Said delivery of such requests must be at least sixty days before the members' meeting wherein the proposed changes will be voted on. However, if the board of directors approves of such changes by a four-fifths vote, the effective date shall be the date of approval by the division of savings institutions."

(7) *Directors amending the bylaws.* Instead of bylaw s. 11.01 (2), substitute the following: "**(2)** BY DIRECTORS. These bylaws may be amended or may be repealed and new bylaws adopted by the board of directors upon an affirmative vote of at least four-fifths of the directors present at a meeting of directors at which a quorum is present."

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