

Bkg 53

Filed January 13, 1966  
9:06 am




STATE OF WISCONSIN )  
 DEPT. OF BANKING ) SS

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Wm. E. Nuesse, Commissioner of Banks of Wisconsin and custodian of the official records of said Department, do hereby certify that the annexed, amended rules regulating surety bond requirements of State-Chartered Credit Unions of Wisconsin were duly approved and adopted by this Department on the Twelfth Day of January, 1966, and are to be effective as provided in Section 227.026 (1) Wisconsin Statutes.

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof and of the whole of such original.

IN TESTIMONY WHEREOF, I,  
 Wm. E. Nuesse, Commissioner  
 of Banks, have hereunto set  
 my hand and affixed my  
 official seal. Done in the  
 Hill Farms State Office  
 Building in the City of  
 Madison, this Twelfth Day  
 of January, 1966.

  
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 Wm. E. Nuesse  
 Commissioner of Banks

ORDER OF THE STATE BANKING DEPARTMENT

AMENDING RULES

Pursuant to authority vested in the Commissioner of Banks with the approval of the Credit Union Review Board by Section 186.23, Wisconsin Stats., and pursuant to a public hearing held on January 12, 1966, the State Banking Department hereby amends rules as follows:

SECTION BKG 53.02 of the Wisconsin Administrative Code is amended to read as follows:

"BKG 53.02 BOND REQUIREMENTS. (1) The minimum requirement shall be blanket bond coverage equal to 100% of assets for all credit unions with assets of \$1,000,000 or less.

"(2) The maximum requirement shall be \$1,000,000."

AND SECTION BKG 53.03 is amended to read as follows:

"BKG 53.03 SURETY BOND COVERAGE REQUIRED. Each surety bond shall contain the following coverage:

- (1) Fraud or dishonesty of employee
- (2) Burglary, robbery, larceny, holdup, including damage or destruction by fire (within credit union premises)
- (3) Misplacement and mysterious, unexplainable disappearance
- (4) Burglary, robbery, larceny, theft, holdup, misplacement or mysterious, unexplainable disappearance while in transit and in the custody of an employee, as defined, of the credit union
- (5) Forgery or alteration of any instrument -negotiable or otherwise, including corporate credit cards
- (6) Loss or damage, except by fire, to any of the offices of the insured and to the furnishings, fixtures, and equipment caused by burglary, robbery, or larceny, or theft
- (7) Court costs and attorney's fees incurred and paid by the credit union in defending suit against credit union to enforce liability of credit union, which, if established against the credit union, would constitute a valid and collectible loss sustained by the credit union

REVISION OF SECTION BKG 53.03 (CONTINUED)

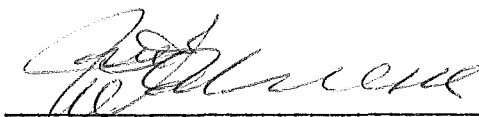
- (8) Discovery coverage - The blanket bond must become a full-discovery bond after twelve continuous months of maximum coverage
- (9) Actual audit expense coverage to a maximum of \$2,000
- (10) Losses due to hurricane, cyclone, earthquake, tornado
- (11) Reproduction of papers and records necessary for the operation of the credit union
- (12) Losses during holdup or robbery
- (13) Loss in the case of employee dishonesty which involves member's dividends
- (14) Fraud or dishonesty of persons, partnerships, or corporations appointed by the credit union to maintain accounting records of the credit union in a centralized accounting office
- (15) Employee shall be defined as officers (such as President, Secretary, or Treasurer), clerks, collectors, messengers, and persons in similar positions, members of the board of directors who are not officers or committee members (with respect to criminal acts only), members of the credit committee, supervisory committee, and similar committees of the credit union, all other persons in the immediate employ of the credit union and its attorneys-at-law, whether elected, appointed, or retained."

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The rules contained herein shall take effect as provided in Section 227.026 (1) Wisconsin Stats.

Dated: January 12, 1966

STATE BANKING DEPARTMENT



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Wm. E. Nuesse  
Commissioner of Banks