

CHAPTER 111

INSURANCE. BONDS MUTUAL COMPANIES

H. F. 289

AN ACT amending section nine thousand fifty-eight (9058), Code of 1931, relative to provisions of bonds of certain mutual insurance companies.

Be it enacted by the General Assembly of the State of Iowa:

1 That section nine thousand fifty-eight (9058), Code of 1931, is
2 hereby amended by inserting the words "a fidelity" in line 5 after
3 the word "give", and by striking out all of said section beginning
4 with the word "as" in the eleventh line thereof.

House File No. 289. Approved March 9, 1934.

CHAPTER 112

BANKS. REORGANIZATION, ISSUANCE OF PREFERRED STOCK, RIGHTS OF
CERTIFICATE HOLDERS

H. F. 122

AN EMERGENCY ACT to provide for the issuance of preferred stock of one or more classes by state banks, savings banks and trust companies organized under the laws of this state that have been reorganized and/or recapitalized, or are in the process of reorganization and/or recapitalization; providing for the consent of "certificate holders" and subordinating the rights of "certificate holders" in and to earnings or income of such banks and trust companies, to the rights of holders of preferred stock, both as to dividends and sinking fund; and binding nonconsenting "certificate holders" upon written consent of required number and amount; providing for public bodies as "certificate holders" entering into written consents and subordination agreements; further defining the term "reorganization" as used in this act and as used in chapters one hundred fifty-six (156), one hundred fifty-nine (159) and one hundred sixty (160), acts of the Forty-fifth General Assembly; and providing rules of construction in event of conflict or unconstitutionality of a part of the act.

Be it enacted by the General Assembly of the State of Iowa:

1 SECTION 1. That it is hereby declared that a public emergency
2 has existed affecting the welfare of the people of Iowa growing out
3 of the abnormal disruption in economic and financial processes;
4 that because of this, a large number of banks and trust companies
5 in this state have been and still are unable to carry on in an ordi-
6 nary and normal manner; and depositors of many of the banks and
7 trust companies of Iowa have entered into depositors' agreements
8 and pursuant thereto and to the laws of this state, a number of
9 such banks and trust companies have reorganized and/or recap-
10 italized, and a number are in the process of reorganization and/or
11 recapitalization.

1 SEC. 2. That many of these depositors' agreements provide in
2 substance for the payment of the earnings of the bank or trust
3 company into a trust fund created as part of such reorganization
4 and/or recapitalization.

1 SEC. 3. That the reconstruction finance corporation and other
2 governmental agencies have advised the officials of this state that