

1 SEC. 7. The reorganization of state banks, savings banks and
 2 trust companies referred to in this act and in chapters one hundred
 3 fifty-six (156), one hundred fifty-nine (159) and one hundred sixty
 4 (160), acts of the Forty-fifth General Assembly and acts amendatory
 5 thereto, may with the approval of the superintendent of banking
 6 be brought about through the use of the existing corporation
 7 or by the organization of a new bank, where such bank as so re-
 8 organized acquires all or a portion of the assets, and assumes all or
 9 a portion of the liabilities, of one or more existing banks.

1 SEC. 8. Insofar as the provisions of this act may conflict with
 2 other acts or parts thereof, the provisions of this act shall control.

1 SEC. 9. Should any section of this act, or any part thereof be
 2 held by any court of competent jurisdiction to be unconstitutional
 3 or invalid, such decision shall affect only the specific provisions
 4 which may be held invalid or unconstitutional and shall not affect
 5 the validity of the remaining portions of this act.

1 SEC. 10. This act, being adopted to meet an emergency, and
 2 being deemed of immediate importance, it shall be in full force and
 3 effect from and after its publication in the Freeman-Journal, a
 4 newspaper published at Webster City, Iowa, and The Ackley World-
 5 Journal, a newspaper published at Ackley, Iowa.

House File No. 122. Approved November 27, 1933.

I hereby certify that the foregoing act was published in The Ackley World-Journal,
 November 30, 1933, and the Webster City Freeman-Journal, December 1, 1933.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 113

BANKS. WAIVERS BY PRIVATE AND PUBLIC CERTIFICATE HOLDERS

H. F. 331

AN EMERGENCY ACT providing for the waiver by "certificate holders" of the earnings or income of banks or trust companies and waiving the contribution of any part of the future earnings or income of the bank or trust company into the trust fund created for the benefit of "certificate holders" or the application of any part of the earnings or income to the payment of outstanding certificates of trust; and binding nonconsenting "certificate holders" upon written waiver of required number and amount; providing for public bodies as "certificate holders" entering into such written consents or waivers; and providing rules of construction in event of conflict or unconstitutionality of a part of the act.

WHEREAS, a public emergency has existed and still exists affecting the welfare of the people of Iowa, growing out of the economic disruption in economic and financial processes, and because of this a large number of banks and trust companies in this state have been and still are unable to carry on in an ordinary and normal manner and depositors of many banks and trust companies of Iowa have entered into depositor agreements, and pursuant thereto and to the laws of this state, a number of such banks and trust companies have reorganized and/or recapitalized and a number are in the process of reorganization and/or recapitalization; and

WHEREAS, many of these depositors' agreements provide in substance for the payment of earnings and income of the bank or trust company into a trust fund created as a part of such reorganization and/or recapitalization, and the issuance of trust certificates, and application of earnings and income to the payment thereof; and

WHEREAS, through aid of legislation of the national congress, a corporation known as the federal deposit insurance corporation, has been formed, which guarantees the deposits of banks and trust companies pursuant to the provisions therein, and to fully conform to the provisions of this corporation it will be necessary for these banks to subsequently become members of the federal reserve bank for this district, and that one of the conditions of membership is that earnings and income of the member bank be unrestricted, unpledged and unimpaired.

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

1 SECTION 1. In the event any state bank, savings bank or trust
2 company, organized under the laws of this state, shall have hereto-
3 fore reorganized and/or recapitalized, or shall be in the process of
4 reorganization and/or recapitalization (whether pursuant to pro-
5 visions of chapters 159 and 160 of the laws of the Forty-fifth Gen-
6 eral Assembly and amendments thereto, or otherwise), pursuant to
7 the plan of reorganization and/or recapitalization; providing, that
8 the future earnings or income of such state bank, savings bank or
9 trust company, or any portion thereof, be pledged, assigned or trust-
10 eed for the benefit of depositors, creditors or holders of *trust com-
11 panies (hereinafter for convenience referred to as "certificate hold-
12 ers"), the rights of such "certificate holders" in such earnings or
13 income, or the application of the same or any part thereof to pay-
14 ment of trust certificates may, with written consent of the majority
15 of such "certificate holders" holding claims totalling in the aggre-
16 gate, seventy-five per cent of the claims of all "certificate holders"
17 for whose benefit such earnings have been pledged, assigned or
18 trusteeed, be waived and the trust agreement and any other agree-
19 ments pertaining thereto may be so modified to such extent; and
20 the future earnings and income dealt with in any manner approved
21 by the superintendent of banking.

22 Upon such written consent being executed by a majority in num-
23 ber of such "certificate holders" holding claims totalling in the ag-
24 gregate, seventy-five per cent of the claims of such "certificate hold-
25 ers", all such "certificate holders" shall be bound thereby, whether
26 or not they shall have consented.

1 SEC. 2. The state of Iowa, through the executive council, in its
2 discretion, and any county, city, town, municipality, township or
3 school district, in the discretion of its governing board, when a
4 "certificate holder", as defined in section one of this act may enter
5 into the written consent and waiver agreement as provided in sec-
6 tion one of this act, through and by any member or officer desig-
7 nated for that purpose by such public body. Joining in such con-
8 sent and waiver agreement shall not be a waiver of any preference
9 or of the right to participate in the state sinking fund for public
10 deposits.

*Through error a line was here omitted in original bill. Correction was made by House File 344, now chapter 114.

1 SEC. 3. Insofar as the provisions of this act may conflict with
2 any other act or parts thereof, the provisions of this act shall con-
3 trol.

1 SEC. 4. Should any section of this act or any part thereof be held
2 by any court of competent jurisdiction unconstitutional or invalid,
3 such decision shall affect only the specific provisions which may be
4 held invalid or unconstitutional and shall not affect the validity of
5 the remaining portions of this act.

1 SEC. 5. This act, being adopted to meet an emergency and being
2 deemed of immediate importance, shall be in full force and effect
3 from and after its publication in the Harlan Tribune, a newspaper
4 published at Harlan, Iowa, and in The Denison Bulletin, a news-
5 paper published at Denison, Iowa.

House File No. 331. Approved February 14, 1934.

I hereby certify that the foregoing act was published in the Harlan Tribune and
The Denison Bulletin, February 22, 1934.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 114

BANKS. AMENDATORY TO HOUSE FILE 331

H. F. 344

AN ACT to amend House File three hundred thirty-one (331), acts of the Forty-fifth
General Assembly in extraordinary session, relating to the nature of waivers by
certificate holders as provided for therein.

WHEREAS, House File three hundred thirty-one (331) was duly passed at
the present special session of the Forty-fifth General Assembly and is
now a law in this state; and

WHEREAS, in preparing the bill for printing, a line was omitted and
through oversight, the bill was passed with such omission; and

WHEREAS, the omitted line is a very necessary part of the bill,

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

1 SECTION 1. That section one (1) of House File three hundred
2 thirty-one (331), acts of the Forty-fifth General Assembly in ex-
3 traordinary session, be and the same is hereby amended by insert-
4 ing after the first "of" in line 9 of the engrossed bill thereof, the
5 following:

6 "trust certificates of such state banks, savings banks, or."

1 SEC. 2. This act, being adopted to meet an emergency and being
2 deemed of immediate importance, shall be in full force and effect
3 from and after its publication in the Rockwell City Advocate, a
4 newspaper published at Rockwell City, Iowa, and in the Donnellson
5 Review, a newspaper published at Donnellson, Iowa.

House File No. 344. Approved March 9, 1934.

I hereby certify that the foregoing act was published in the Rockwell City Advocate,
March 15, 1934, and Donnellson Review, March 16, 1934.

MRS. ALEX MILLER, *Secretary of State.*