

1 SEC. 2. This act, being deemed of immediate importance, shall
 2 be in full force and effect upon its passage and publication in the
 3 Clinton Herald, a newspaper published at Clinton, Iowa, and the
 4 Wright County Monitor, a newspaper published at Clarion, Iowa.

House File No. 343. Approved March 9, 1934.

I hereby certify that the foregoing act was published in the Clinton Herald, March 10, 1934, and Wright County Monitor, March 15, 1934.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 119

BANKS. AMENDMENT OF ARTICLES OF INCORPORATION

H. F. 87

AN ACT deemed necessary for the public good, and relating to the rights, powers, privileges, duties and liabilities of corporations now or hereafter organized as a state or savings bank, or trust company, and the stockholders thereof; and to authorize and provide a method for amending the articles of incorporation of any such corporation, and for the increase or reduction of the capital stock of any such corporation, and to authorize the issuance of one or more classes of preferred stock by any such corporation; and to limit the scope and effect of sections 9246, 9247, 9248, 9248-a1, 9251, 9252 and 9253, Code of Iowa, 1931, relating to assessments and double liability and the imposition and enforcement of assessments upon capital stock and liabilities of stockholders of such corporations 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. Any corporation now organized under the laws of this
 2 state as a savings bank, state bank, or trust company may amend
 3 its articles of incorporation upon authorization of the stockholders,
 4 evidenced by a resolution adopted by the affirmative vote of the
 5 amount of stock as required in its articles of incorporation (or if no
 6 such provision appears in such articles, then by the affirmative vote
 7 of not less than fifty-one (51) per cent of the voting stock of said
 8 corporation issued and outstanding) at any annual meeting of the
 9 stockholders of such corporation, or at any special meeting thereof,
 10 called and held in the manner and upon the notice as in this act
 11 provided.

1 SEC. 2. At any annual or special meeting of the stockholders of
 2 any such corporation, a proposal to amend the articles of incorpora-
 3 tion, and/or to provide for the exercise by the corporation of any
 4 or all of the powers and rights as specified in section 4 of this act,
 5 may lawfully be considered and passed upon; provided, that at least
 6 five (5) days before the day that any such meeting is held, a written
 7 notice of the hour, date and place at which such meeting is to be
 8 convened shall have been given by the presiding officer of the board
 9 of directors, or such other person as the board may designate, which
 10 notice shall state briefly the matters that are to be submitted to and
 11 passed upon at such meeting. Such notice shall be deemed suffi-
 12 ciently given if the same is mailed to each voting stockholder of
 13 record by registered mail at his last known address as shown by

14 the records of the corporation, at least five (5) days before the day
15 that such meeting is to be convened; and any meeting thus called
16 shall be a lawful meeting and, provided, the requisite amount of
17 stock is represented thereat, shall be qualified to consider and pass
18 upon the matters specified in such notice, irrespective of contrary
19 provisions of law, if any, or contrary provisions in the articles of
20 incorporation, amendments thereto, or by-laws of any such cor-
21 poration.

1 SEC. 3. Where the right to amend its articles of incorporation
2 and/or to exercise any of the rights and powers as specified in sec-
3 tion 4 of this act, is submitted to either an annual meeting or spe-
4 cial meeting of stockholders as provided in section 2 of this act, an
5 affirmative vote of the amount of stock as required in its articles
6 of incorporation (or if no such provision appears in such articles,
7 then an affirmative vote of fifty-one (51) per cent of the voting
8 stock of said corporation issued and outstanding) shall be required
9 to exercise the right or to amend the articles of incorporation for
10 that purpose if such amendment is necessary. At all such meetings,
11 proxies may be voted.

1 SEC. 4. Any corporation now or hereafter organized under the
2 laws of this state as a savings bank, state bank, or trust company,
3 shall have the power (provided it assumes to have and exercise the
4 same by appropriate provisions in its articles of incorporation, or
5 an amendment thereto duly adopted):

6 a. To create and issue preferred stock of one or more classes, as
7 well as common stock, and to fix the rights, privileges, preferences,
8 limitations and conditions of such stock; such rights, privileges, pref-
9 erences, limitations and conditions, however, shall not permit such
10 stockholder, either common or preferred, in case of liquidation of
11 such bank, to share in the assets thereof before the depositors shall
12 have been paid in full; provided, that no preferred stock shall be
13 issued by any such corporation unless upon the approval of the
14 superintendent of banking of the state of Iowa.

15 b. To provide for the decrease of its capital stock upon the
16 authorization of the stockholders of such corporation, evidenced by
17 a resolution adopted by the affirmative vote of the amount of stock
18 as required in its articles of incorporation to authorize such change
19 (or if said articles contain no provisions designating the required
20 majority of stockholders, then by the affirmative vote of not less
21 than fifty-one (51) per cent of the stock of said corporation issued
22 and outstanding) either through a reduction of par value of stock
23 issued and outstanding, or by a reduction of the number of shares,
24 and to provide for the exchange of new shares to be issued for out-
25 standing shares of such corporation, and to provide by similar
26 methods for the increase of the capital stock of such corporation;
27 provided, however, that any such action shall be subject to the
28 approval of the superintendent of banking of the state of Iowa.

29 c. To declare any or all classes of its stock nonassessable when
30 issued and fully paid for, except as otherwise expressly provided
31 by law.

32 d. To exempt its stockholders and their private property from
33 liability for the liabilities of the corporation accruing after this act
34 becomes effective as law.

35 e. To exempt persons becoming stockholders after this act be-
36 comes effective as law, and their private property, from liability
37 for liabilities of the corporation, whether such liabilities accrued
38 before or after this act became effective as law.

39 All preferred stock may be sold without first offering the same
40 to the holders of common or preferred stock.

1 SEC. 5. Persons becoming holders of stock, either common or pre-
2 ferred, of either a state bank, savings bank or trust company, now
3 organized or hereafter organized, under the laws of this state, and
4 who acquire such stock after the effective date that this act becomes
5 a law, shall not be held liable to assessment on such stock or to pay
6 any penalty for refusal to pay any assessment on such stock as con-
7 templated and provided in sections 9246, 9247, 9248 and 9248-a1 of
8 the Code of Iowa, 1931; nor shall such persons be liable to the cred-
9 itors of any such corporation under section 9251, Code of Iowa,
10 1931, because of ownership of such stock, nor may any action be
11 maintained against any such person to enforce liability because
12 of the ownership of such stock under sections 9252 and 9253 of the
13 Code of Iowa, 1931, or otherwise. Provided, that nothing herein
14 contained shall be construed as relieving or releasing any person
15 who held stock prior to the date this act becomes effective as law,
16 in any such corporation existing prior to the date that this act
17 becomes effective as law, from liability for assessment pursuant to
18 section 9246, Code of Iowa, 1931, on stock held by him at or prior
19 to such time or for liability as provided by section 9251, Code of
20 Iowa, 1931, for liabilities of such corporation accruing prior to the
21 time this act becomes effective as law, the extent of such liability
22 to be measured by his stock holdings at or prior to the time that
23 this act becomes effective as law, and as contemplated by sections
24 9251, 9252 and 9253, Code of Iowa, 1931, and provided, further, that
25 nothing herein contained shall create, or be construed as creating
26 any liability, on the part of any stockholder in any such banking
27 corporation, contrary to the provisions of chapter 156 or chapter
28 159, laws of the Forty-fifth General Assembly, or acts amendatory
29 thereto.

1 SEC. 6. Insofar as the provisions of this act may conflict with
2 other laws of this state, the provisions of this act shall control. It
3 is hereby declared that the provisions of this act and of each clause,
4 sentence, paragraph, section, or part hereof, are severable and not
5 dependent upon each other, and that none of such parts are an in-
6 ducement to the enactment of any other part, and if any such clause,
7 sentence, paragraph, section, or part hereof, shall for any reason
8 be adjudged by any court of competent jurisdiction to be invalid,
9 such judgment shall not affect, impair or invalidate the remainder
10 of this act, but shall be confined in its operation to the clause, sen-
11 tence, paragraph, section, or part hereof, directly involved in the
12 controversy in which such judgment shall have been rendered.

1 SEC. 7. This act, being deemed of immediate importance, shall be
 2 in full force and effect from and after its passage and publication
 3 as provided by law, in....., a newspaper pub-
 4 lished at....., Iowa, and in....., a newspaper
 5 published at....., Iowa.

House File No. 87, Approved November 23, 1933.

I hereby certify that the foregoing act was published in the Centerville Iowegian, November 25, 1933, and the Cascade Pioneer, November 30, 1933, in accordance with section 55, Code, 1931.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 120

BANKS. LEGALIZING DEPOSITORS' AGREEMENTS AND PARTICIPATION IN STATE SINKING FUND

H. F. 231

AN EMERGENCY ACT to legalize all depositors' agreements heretofore entered into by any county, town, city, township or school district, by its governing body or any designated officer or agent for that purpose, or by the state of Iowa, through its executive council, or any officer or agent for that purpose covering deposits of public moneys in any state bank, savings bank, trust company, private bank or national bank in Iowa, or any bank or trust company assuming all or any part of the deposit liability of a depository bank or trust company, and providing for participation in the state sinking fund for public deposits.

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 of this state have been
 5 unable to carry on in an ordinary and normal manner.

1 SEC. 2. That to assist in alleviating the condition described in
 2 section one (1) hereof, certain depositors' agreements have hereto-
 3 fore been entered into by the state of Iowa and by public bodies of
 4 this state, by and through their respective governing boards, offi-
 5 cers or agents, covering deposits of public moneys in banks in this
 6 state.

1 SEC. 3. That all depositors' agreements heretofore entered into
 2 by the state of Iowa through the executive council or any officer or
 3 agent, for that purpose, covering deposits of public moneys in any
 4 state bank, savings bank, trust company, private bank or national
 5 bank in this state, or with any such bank or trust company that has
 6 assumed all or any part of the deposit liability of a depository bank
 7 or trust company and all depositors' agreements heretofore entered
 8 into by any county, town, city, township or school district, by and
 9 through their respective governing bodies, boards, officers or agents,
 10 for that purpose, covering deposits of public moneys in any state
 11 bank, savings bank, trust company, private bank or national bank
 12 in this state, or with any bank or trust company that has assumed
 13 all or any part of the deposit liability of a depository bank or trust
 14 company, are hereby legalized and each of the same are hereby de-