

- 1 SEC. 5. This act, being deemed to be of immediate importance,
- 2 shall be in full force and effect after its passage and publication in
- 3 two newspapers of this state, as provided by law.

House File No. 236. Approved March 10, 1934.

I hereby certify that the foregoing act was published in the Beaverdale News, March 23, 1934, and Valley Junction Booster, March 22, 1934, in accordance with section 55, Code, 1931.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 123

BUILDING AND LOAN. INVESTMENT IN BONDS HOME OWNERS' LOAN CORPORATION

H. F. 313

AN ACT to amend section ninety-three hundred forty-b one (9340-b1), Code, 1931, as amended, pertaining to investments of building and loan associations and to authorize such associations to accept bonds of Home Owners' Loan Corporation in payment or exchange for notes and mortgages.

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

- 1 SECTION 1. Section ninety-three hundred forty-b one (9340-b1),
- 2 Code, 1931, as amended by the Forty-fifth General Assembly, is
- 3 hereby amended by adding thereto the following:
- 4 "Any building and loan association may accept bonds issued by
- 5 Home Owners' Loan Corporation, a corporation organized under the
- 6 act of congress cited and known as 'Home Owners' Loan Act of
- 7 1933', at par value in payment for or in exchange for notes and
- 8 mortgages and may carry such bonds as legal assets."

- 1 SEC. 2. This act, being deemed of immediate importance, shall
- 2 be in force and effect from and after its passage and publication in
- 3 two (2) newspapers of this state as provided by law.

House File No. 313. Approved March 9, 1934.

I hereby certify that the foregoing act was published in the Monroe Mirror and The Ackley World-Journal, March 22, 1934, in accordance with section 55, Code, 1931.

MRS. ALEX MILLER, *Secretary of State.*

CHAPTER 124

BUILDING AND LOAN. CONVERSION INTO FEDERAL SAVINGS AND LOAN ASSOCIATIONS

S. F. 206

AN ACT to authorize conversion of building and loan associations and savings and loan associations into federal savings and loan associations organized under the act of congress known as "Home Owners' Loan Act of 1933"; to provide for complete or partial transfer of assets to such federal savings and loan associations and to provide the procedure for such conversion and transfer.

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

- 1 SECTION 1. If authorized by a vote of not less than three fourths
- 2 of the shares represented in person or by proxy at any stockholders'

3 meeting any building and loan or savings and loan association or-
4 ganized under the laws of this state shall have power to convert
5 into a federal savings and loan association organized under the
6 act of congress entitled and known as "Home Owners' Loan Act of
7 1933" and to transfer all or any part of its assets, engagements and
8 obligations to such federal savings and loan association upon such
9 terms and conditions and for such consideration as shall be author-
10 ized and agreed upon by the boards of directors of such state and
11 such federal savings and loan associations.

1 SEC. 2. When such conversion and transfer of assets are made to
2 a federal savings and loan association all shareholders, including
3 borrowing shareholders, in the state association shall become share-
4 holders in the federal savings and loan association and shall be en-
5 titled to receive shares of stock in the federal savings and loan
6 association in lieu of shares of stock canceled in the state associa-
7 tion, in such amounts and upon such terms and conditions as shall
8 be approved by the boards of directors of such state and such fed-
9 eral association.

1 SEC. 3. The borrowing shareholders whose mortgages have been
2 transferred to a federal savings and loan association shall have a
3 period of thirty days after such transfer is completed and recorded
4 with the county recorder in which to elect whether to continue their
5 loans on the plan, rate of interest and terms of such state associa-
6 tion or on the loan plan adopted and used by such federal savings
7 and loan association. Each borrowing shareholder shall give notice
8 in writing of such election, delivered to the president or secretary
9 of such federal savings and loan association and if such notice is not
10 so given within such thirty-days' period it shall be conclusively pre-
11 sumed that borrowing shareholders not giving such notice have
12 elected and accepted and agreed to the loan plan, terms and rate of
13 interest adopted by such federal savings and loan association.

1 SEC. 4. If only a portion of the assets and business of a state
2 association is transferred to a federal savings and loan association
3 such state association may continue in business for the purpose of
4 liquidating its remaining assets and if authorized by a three-fourths
5 vote of the shares represented at any stockholders' meeting it may
6 from time to time make additional transfers of assets to such fed-
7 eral savings and loan association in exchange for stock or may trans-
8 fer such remaining assets to trustees who shall liquidate the same
9 in the manner authorized, but after any such partial or complete
10 transfer of assets no such state association shall sell or issue any
11 additional shares or accept any payments on stock except on shares
12 still held by it as security for loans not transferred to such federal
13 savings and loan association.

1 SEC. 5. The rights of creditors of a state association shall not
2 be impaired by such transfer of assets to a federal savings and
3 loan association and they shall have the same rights to follow and
4 satisfy their claims out of all transferred assets as if no transfer
5 had been made, or they may elect to accept the obligations of such
6 federal savings and loan association in satisfaction of their claims
7 against such state association.

1 SEC. 6. A state association in receivership may convert and trans-
2 fer all or part of its assets to a federal savings and loan asso-
3 ciation if in such case the court having jurisdiction of the receiver-
4 ship shall after due notice and hearing approve such conversion
5 and transfer.

1 SEC. 7. Before any conversion and transfer of assets are made
2 to a federal savings and loan association the proposed plan of con-
3 version and transfer shall either before or after it is authorized
4 by the shareholders be submitted in writing to the auditor of state
5 who shall issue to the state association his written approval thereof
6 if he finds that the proposed plan is legal and that the requirements
7 of law have been complied with.

1 SEC. 8. When such conversion and transfer are made the presi-
2 dent and secretary of the state association shall file with the re-
3 corder of the county in which the principal place of business of
4 such association is located and with the auditor of state a written
5 report showing in general terms the nature of such conversion and
6 transfer together with true copies of the agreements entered into
7 and transfers made and the resolutions of shareholders and direc-
8 tors authorizing the same.

1 SEC. 9. This act, being deemed of immediate importance, shall
2 be in force and effect after its passage and publication in the Cen-
3 terville Daily Iowegian, a newspaper published in Centerville, Iowa,
4 and in the Waukon Democrat, a newspaper published in Waukon,
5 Iowa.

Senate File No. 206. Approved February 21, 1934.

I hereby certify that the foregoing act was published in the Centerville Iowegian,
February 23, 1934, and Waukon Democrat, February 28, 1934.

MRS. ALEX MILLER, *Secretary of State.*