

## CHAPTER 101

## BANKING INSTITUTIONS. PARTICIPATION IN FEDERAL AID

S. F. 395

AN ACT to authorize any state bank, trust company, bank and trust company, banking association or stock savings bank now or hereafter organized under the laws of this state or the conservator, receiver or liquidator thereof, to enter into such contracts, incur such obligations and generally to do such acts as may be appropriate or necessary to take advantage of any and all memberships, loans, subscriptions, contracts, grants, rights or privileges which may, at any time, be available or enure to said banking institutions or their depositors or stockholders, or their conservators, liquidators, or receivers, by virtue of any act or resolution of the congress of the United States to aid, regulate or safeguard banking institutions and depositors, including the act creating the federal deposit insurance corporation; to empower any such banking institution to subscribe to and acquire any stock or debentures or bonds or other types of securities of said corporation; to authorize a sale of all or any part of the assets of such institutions to the federal deposit insurance corporation, and to authorize receivers and liquidators and the superintendent of banking to borrow money from the federal deposit insurance corporation and to pledge the assets of any of such institutions as security for any such loan; to provide for the subrogation of said corporation to the rights against said closed institutions of all insured depositors, whose deposits have been paid, or for the payment of which funds have been made available; to recognize the right of said corporation to make examinations of and to require reports from such institution, and the exchange of examination reports made by said corporation of any such institutions with the reports of examinations made by the state banking department of any such institutions; to provide for disclosure by said superintendent of banking to said corporation of the condition and affairs of such insured institution and access to information regarding the same.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. The term "banking institution," as used in this act  
2 shall be construed to mean any state bank, trust company, bank and  
3 trust company, banking association or stock savings bank, which is  
4 now or may hereafter be organized under the laws of this state.

1 SEC. 2. Any banking institution now or hereafter organized under  
2 the laws of this state is hereby empowered, on the authority of its  
3 board of directors, or a majority thereof, with the approval of the  
4 superintendent of banking, to enter into such contracts, incur such  
5 obligations and generally to do and perform any and all such acts  
6 and things whatsoever as may be necessary or appropriate in order  
7 to take advantage of any and all memberships, loans, subscriptions,  
8 contracts, grants, rights or privileges, which may at any time be  
9 available or enure to banking institutions or to their depositors, cred-  
10 itors, stockholders, conservators, receivers or liquidators, by virtue  
11 of those provisions of section eight (8) of the federal "banking act  
12 of 1933" (section 12B of the federal reserve act, as amended), which  
13 establish the federal deposit insurance corporation and provide for the  
14 insurance of deposits, or of any other provisions of that or of any  
15 other act or resolution of congress to aid, regulate or safeguard bank-  
16 ing institutions and their depositors, including any amendments of  
17 the same or any substitutions therefor; also, to subscribe for and  
18 acquire any stock, debentures, bonds or other types of securities of  
19 the federal deposit insurance corporation.

1 SEC. 3. Whenever the federal deposit insurance corporation shall  
2 pay, or make available for payment, the insured deposit liabilities

3 of any closed state bank, trust company, bank and trust company,  
4 banking association or stock savings bank, it shall be subrogated to  
5 all rights of the depositor to the extent of such payment. Such sub-  
6 rogation in the case of any closed state bank, trust company, bank  
7 and trust company, banking association or stock savings bank shall  
8 include the right to receive the same dividends from the proceeds of  
9 the assets of said closed bank as would have been payable to such  
10 depositor on a claim for the insured deposit, such depositor retaining  
11 his claim for any uninsured portion of his deposit.

1 SEC. 4. The federal deposit insurance corporation may, at any  
2 time it sees proper, make or cause to be made an examination of any  
3 state bank, trust company, bank and trust company, banking associa-  
4 tion or stock savings bank that is or may hereafter become a member  
5 of its fund, and, upon the application of any such institution to be-  
6 come a member of its fund, shall have the right of such examination  
7 for the purpose of determining the applicant's qualification for ad-  
8 mission to such fund, and the corporation shall furnish the superin-  
9 tendent of banking with a copy of all such examinations when com-  
10 pleted. The superintendent of banking may furnish to said corporation,  
11 or to any official or supervising examiner thereof, a copy of any or  
12 all examinations made of any such banking institutions and of any  
13 and all reports made by the same, and shall give access to said cor-  
14 poration, or any official or supervising examiner thereof, any and all  
15 information possessed by the office of said superintendent of banking  
16 with reference to the condition or affairs of any such insured insti-  
17 tution.

18 Nothing in this section shall be construed to limit the duty of any  
19 banking institution in this state, deposits in which are to any extent  
20 insured under the provisions of section eight (8) of the "banking act  
21 of 1933" (section 12B of the federal reserve act, as amended), or  
22 of any amendment of or substitution for the same, to comply with  
23 the provisions of said act, its amendments or substitutions, nor to  
24 limit the powers of the superintendent of banking with reference to  
25 examinations and reports under existing law.

1 SEC. 5. With respect to any banking institution, which is now or  
2 may hereafter be closed on account of inability to meet the demands  
3 of its depositors or by action of the superintendent of banking or of  
4 a court or by action of its directors or in the event of its insolvency  
5 or suspension, the superintendent of banking and/or the receiver or  
6 liquidator of such institution with the permission of said superintend-  
7 ent of banking may borrow from said corporation and furnish any  
8 part or all of the assets of said institution to said corporation as  
9 security for a loan from same, provided, that where said banking  
10 institution is in receivership, the order of a court of record of competent  
11 jurisdiction shall be first obtained approving such loan, and upon a  
12 like order from such court, and, with the permission of said super-  
13 intendent of banking, the receiver of any such institution and/or the  
14 superintendent of banking without such order may sell to said cor-  
15 poration any part or all of the assets of such institution.

16 The provisions of this section shall not be construed to limit the  
17 power of any banking institution, the superintendent of banking or

18 receivers or liquidators to pledge or sell assets in accordance with  
19 any existing law.

1 SEC. 6. The validity of any provision or part of this act shall not  
2 be dependent upon any other provision or part thereof. If any pro-  
3 vision or part thereof should for any reason be held unconstitutional  
4 or invalid such decision shall not affect the validity of any of the  
5 remaining provisions or parts of this act.

1 SEC. 7. Insofar as the provisions of this act may conflict with  
2 any other act or parts thereof the provisions of this act shall control.

1 SEC. 8. This act being deemed of immediate importance shall  
2 be in full force and effect from and after its passage and publication  
3 as provided by law, in the Sioux City Tribune, a newspaper published  
4 at Sioux City, Iowa, and in the Anthon Herald, a newspaper published  
5 at Anthon, Iowa.

Senate File 395. Approved May 4, 1935.

I hereby certify that the foregoing act was published in the Sioux City Tribune, May 9, 1935, and the Anthon Herald, May 8, 1935.

MRS. ALEX MILLER, *Secretary of State.*

## CHAPTER 102

### BANKS AND TRUST COMPANIES. COMPLIANCE WITH MINIMUM CAPITAL REQUIREMENTS

#### S. F. 396

AN ACT to amend chapter one hundred nineteen (119) of the laws of the Forty-fifth General Assembly, extraordinary session, and authorizing the preferred stock issued as provided for therein, to be included in determining whether state banks, savings banks and trust companies have complied with minimum capital requirements.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Amend chapter one hundred nineteen (119), acts of the  
2 Forty-fifth General Assembly, extraordinary session, by adding thereto,  
3 the following:

4 "Any preferred stock lawfully issued pursuant to and under the pro-  
5 visions of this act, shall be included in determining whether such bank-  
6 ing institution has complied with the minimum capital requirements  
7 provided by law for banking institutions in this state."

1 SEC. 2. This act being deemed of immediate importance shall be in  
2 full force and effect from and after its passage and publication as pro-  
3 vided by law, in Sioux City Journal, a newspaper published at Sioux  
4 City, Iowa, and in Sloan Star, a newspaper published at Sloan, Iowa.

Senate File 396. Approved May 4, 1935.

I hereby certify that the foregoing act was published in the Sioux City Journal, May 8, 1935, and the Sloan Star, May 9, 1935.

MRS. ALEX MILLER, *Secretary of State.*