

781—13.4(12C) Duties and responsibilities of a pledging bank.

13.4(1) A pledging bank shall complete, sign, and submit to the treasurer an executed Pledge and Security Agreement.

13.4(2) A savings and loan shall calculate and certify to the superintendent of banking the amount of public funds on deposit at the savings and loan on or before the tenth day of February, May, August, and November of each year as of the end of the previous calendar quarter. An out-of-state bank that has one or more branches in Iowa shall calculate and certify to the superintendent of banking the amount of public funds on deposit at each such branch of the out-of-state bank on or before the tenth day of February, May, August, and November of each year as of the end of the previous calendar quarter.

13.4(3) A pledging bank shall deposit and maintain eligible collateral with the treasurer's approved custodian which at all times has a total market value of not less than the minimum collateral market value amount.

13.4(4) A pledging bank shall at all times be eligible to accept public deposits as required by Iowa Code sections 12C.6A and 12C.23A, subsection 1.

13.4(5) A pledging bank shall grant a perfected security interest to the treasurer in all pledged collateral to secure the repayment of uninsured public funds deposited in a pledging bank and for satisfying any future assessments made against the pledging bank by the treasurer pursuant to Iowa Code chapter 12C. The pledging bank shall take all steps necessary to ensure that the treasurer has a valid, perfected, enforceable, first priority security interest in any pledged collateral. This security interest shall be perfected by entering into a Pledge and Security Agreement with the treasurer and by transferring the eligible collateral to the treasurer's approved custodian. By accepting public funds for deposit, a pledging bank agrees to waive any defenses it may have with respect to any failure of the Pledge and Security Agreement to effect a viable, perfected, enforceable, first priority security interest.

13.4(6) A pledging bank shall promptly and in a timely manner remit to the treasurer's approved custodian payment for fees associated with the treasurer's approved custodian's services as safekeeping agent upon receipt of a statement from the treasurer's approved custodian.

13.4(7) A pledging bank shall not utilize the services of an approved custodian in which the pledging bank or an affiliate has control with the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an approved custodian, including but not limited to the ownership of voting securities. In addition, a pledging bank shall not utilize the services of an approved custodian which is an office of the pledging bank or an affiliate or a subsidiary of the same bank holding company of which the pledging bank is a subsidiary or affiliate as defined in Iowa Code section 12C.22, subsection 1.

13.4(8) A pledging bank shall not use the safekeeping services of more than one approved custodian for the purposes of meeting the requirements of Iowa Code chapter 12C and this chapter.

13.4(9) A pledging bank shall notify the treasurer and the treasurer's approved custodian, in writing or via the treasurer's Web site, of any change in its name or charter location prior to the effective date of such change.

13.4(10) A pledging bank shall provide the treasurer's approved custodian with proper instructions for the delivery of cash and collateral which the treasurer's approved custodian has authorized for the release of collateral to the pledging bank.