

CHAPTER 90.

INDEBTEDNESS OF STATE AND SAVINGS BANKS.

S. F. 74.

AN ACT limiting the indebtedness of state and savings banks and repealing section eighteen hundred and fifty-five (1855) of the code.

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

SECTION 1. Repealed. Section eighteen hundred and fifty-five (1855) of the code, be, and the same is hereby repealed.

SEC. 2. Indebtedness. State and savings banks may contract indebtedness or liability for the following purposes only; for necessary expenses in managing and transacting their business, for deposits, and to pay depositors; provided, that in pursuance to an order of the board of directors previously adopted, other liabilities not in excess of amount equal to the capital stock may be incurred.

SEC. 3. Acts in conflict repealed. All acts or parts of acts in conflict with this act, are hereby repealed.

SEC. 4. In effect. This act, being deemed of immediate importance, shall take effect and be in force from and after its publication in the Register and Leader and the Des Moines Capital, newspapers published in Des Moines, Iowa.

Approved April 3, A. D. 1907.

I hereby certify that the foregoing act was published in the Register and Leader and the Des Moines Capital, April 4, 1907.

W. C. HAYWARD,
Secretary of State.

CHAPTER 91.

PAY OF AND LOANS TO OFFICERS OF STATE AND SAVINGS BANKS.

H. F. 107.

AN ACT to repeal section eighteen hundred sixty-nine (1869) of the code relating to pay of, and loans to, officers of state and savings banks and to enact a substitute therefor.

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

SECTION 1. Repealed—pay of and loan to officers. That section eighteen hundred sixty-nine of the code be, and the same is, hereby repealed, and the following enacted in lieu thereof:

“Officers of savings and state banks may receive for their services a reasonable compensation, to be fixed from time to time in the by-laws, or by vote of the board of directors, but no director, as such, shall be paid for his services. No officer or employe of the bank shall in any manner, directly or indirectly, use its funds or deposits, or any part thereof, except for the regular business transactions of the bank, and no loan shall be made by it to any of them except upon the express order of the board of directors, made in the absence of the applicant, duly entered in the records of the board proceedings, and only upon the same security as required of others. But the board of directors may, by resolution, duly entered in the records of the board proceedings, authorize loans to directors not holding any other office nor being an employe, not exceeding a maximum sum at any one time, which resolution shall be voted upon in the absence of such director and any such loan shall