

45 date of appointment of a receiver.

46 d. The pro rate apportionment of the balance among the members  
47 of record on the date of the special meeting of the members at which  
48 voluntary dissolution was authorized or in the case of involuntary  
49 dissolution, the members of record on the date of appointment of a  
50 receiver.

51 2. All amounts due to members who are unknown, or who are  
52 under a disability and there is no person legally competent to receive  
53 such amounts, or who cannot be found after the exercise of reasonable  
54 diligence shall be transmitted to the treasurer of state who shall hold  
55 such amounts in the manner prescribed by chapter five hundred fifty-  
56 six (556) of the Code. All amounts due to creditors as described in  
57 section four hundred ninety-six A point one hundred one (496A.101)  
58 of the Code shall be transmitted to the treasurer of state in accord-  
59 ance with the provisions of that section and shall be retained by the  
60 treasurer of state and subject to claim as provided for in that section.

61 3. The superintendent of banking shall assume custody of the rec-  
62 ords of a credit union dissolved pursuant to this chapter and shall  
63 retain them in accordance with the provisions of section five hundred  
64 thirty-three point twenty-four (533.24) of the Code. The superin-  
65 tendent may cause film, photographic, photostatic, or other copies of  
66 such records to be made and retain such copies in lieu of the original  
67 records.

68 4. The dissolution of a credit union shall not remove or impair any  
69 remedy available to or against such credit union, its directors, officers,  
70 or members for any right or claim existing or any liability incurred  
71 prior to such dissolution if an action or other proceeding to en-  
72 force the right or claim is commenced within two years after the date  
73 of filing of a certificate or decree of dissolution with the county re-  
74 corder in the county in which the credit union has its principal place of  
75 business. Any such action or proceeding by or against the credit  
76 union may be prosecuted or defended by the credit union in its cor-  
77 porate name. The members, directors, and officers shall have power  
78 to take such corporate or other action as shall be appropriate to pro-  
79 tect such remedy, right, or claim."

Approved April 15, 1971.

## CHAPTER 249

### CREDIT UNION CHARTERS

#### S. F. 210

AN ACT relating to the conversion of credit union charters.

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

1 SECTION 1. Chapter five hundred thirty-three (533), Code 1971,  
2 is amended by adding the following new sections:

3 1. "Conversion of state credit union into federal credit union.

4 1. A state credit union may convert into a federal credit union upon  
5 the affirmative vote of a majority of its members eligible to vote,  
6 at a special meeting called for that purpose in the manner prescribed

7 by the bylaws and with the approval of the administrator of the  
8 national credit union administration. Any member eligible to vote  
9 and not present at the meeting may, within twenty days after the  
10 date on which the meeting was held, vote in favor of conversion by  
11 signing a statement in a form satisfactory to the superintendent of  
12 banking and the vote shall have the same force and effect as if cast  
13 at the meeting.

14 2. The board of directors of the state credit union shall notify the  
15 superintendent of banking of any proposed conversion and of any  
16 abandonment or disapproval of the conversion by the members or the  
17 administrator of the national credit union administration. The board  
18 of directors of the state credit union shall file with the superintendent  
19 appropriate evidence of approval of the conversion by the adminis-  
20 trator of the national credit union administration and notify the super-  
21 intendent of the date on which the conversion is to be effective.

22 3. Upon receipt of satisfactory proof that the state credit union has  
23 complied with all applicable laws of this state and the United States,  
24 the superintendent shall issue a certificate of conversion which shall  
25 be filed and recorded in the county in which the state credit union has  
26 its principal place of business and in the county in which its original  
27 articles of incorporation were filed and recorded."

28 2. **"Conversion of federal credit union into state credit union.**

29 1. A federal credit union may convert into a state credit union upon  
30 compliance with the laws of the United States and approval by the  
31 superintendent of banking. Application for approval of conversion  
32 to a state credit union shall be submitted to the superintendent in the  
33 form prescribed by the superintendent, together with articles of in-  
34 corporation and bylaws as required by section five hundred thirty-  
35 three point one (533.1) of the Code. The superintendent of banking  
36 may cause an examination to be made of any converting federal  
37 credit union and the credit union shall pay to the superintendent the  
38 same examination fee paid for examinations of state credit unions.

39 2. If the superintendent shall approve the application of a federal  
40 credit union for conversion to a state credit union, he shall cause the  
41 articles of incorporation of the resulting state credit union to be filed  
42 and recorded in the county in which the credit union has its principal  
43 place of business and shall issue a certificate of authority to the result-  
44 ing state credit union to do business under the laws of this state. The  
45 credit union shall then become a state credit union subject to the  
46 laws of this state. The superintendent shall furnish a copy of the  
47 certificate to the administrator of the national credit union administra-  
48 tion.

49 3. The existence of the federal credit union shall continue and the  
50 resulting state credit union shall have all of the property, rights,  
51 powers and duties of the federal credit union except that the result-  
52 ing state credit union shall have only the authority to engage in such  
53 business and exercise such powers and shall be subject to the same  
54 prohibitions and limitations to which it would be subject upon origi-  
55 nal organization under this chapter.

56 4. No liability of the federal credit union or of its members, direc-  
57 tors or officers shall be affected, nor shall any lien on any property  
58 of the federal credit union be impaired by the conversion. Any claim  
59 existing or action pending by or against the federal credit union may

60 be prosecuted to judgment as if the conversion had not taken place,  
61 or the resulting state credit union may be substituted in its place."

Approved April 26, 1971.

## CHAPTER 250†

### SAVINGS AND LOAN ASSOCIATIONS

S. F. 118

AN ACT relating to savings and loan associations.

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

1 SECTION 1. Section five hundred thirty-four point two (534.2),  
2 subsection five (5), Code 1971, is amended by striking the subsection  
3 and inserting in lieu thereof the following:

4 5. "Regular lending area" shall mean an area within one hundred  
5 miles from any approved office, whether within or without the state.

1 SEC. 2. Section five hundred thirty-four point seventeen (534.17),  
2 subsection one (1), Code 1971, is amended by adding the following  
3 new paragraph:

4 "Any of said investments which are securities or obligations which  
5 are evidence of first mortgage liens on real estate are exempt from the  
6 above five percent limitation."

1 SEC. 3. Section five hundred thirty-four point nineteen (534.19),  
2 subsection six (6), Code 1971, is amended as follows:

3 6. Property improvement loans. To make property improvement  
4 loans to home owners and other property owners for maintenance,  
5 repair, landscaping, modernization, furniture and fixtures, improve-  
6 ment and equipment for their properties, and loans on mobile homes,  
7 with or without security provided that no such loan without security  
8 shall exceed five thousand dollars, and provided further that not in  
9 excess of fifteen percent of the assets of the association shall be so  
10 invested, said fifteen percent to be exclusive of the forty percent of  
11 assets power set out in section 534.21 hereof. Such loans shall be  
12 amortized to mature in not to exceed eight years. Such loans may also  
13 be based on a discount or add on charge of not to exceed six dollars  
14 per one hundred dollars face amount per year in lieu of straight  
15 interest otherwise provided by law.

1 SEC. 4. Section five hundred thirty-four point nineteen (534.19),  
2 subsection fifteen (15), Code 1971, is amended as follows:

3 15. Service corporations. Any association shall have the power to  
4 organize and own, alone or with any other similar corporation, a  
5 service corporation for the mutual good of said corporations. An  
6 association may invest in capital stock, obligations, or other securi-  
7 ties of service corporations in an amount not to exceed five percent  
8 of the association's assets.

†See Editor's note, page iii.