

CHAPTER 1116

SAVINGS AND LOAN ASSOCIATIONS

H. F. 1047

AN ACT relating to the lending and investing powers of 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 nineteen
2 (534.19), subsection eleven (11), Code 1971, is amended to read as
3 follows:

4 11. Purchase of contracts. Any such association may buy and sell
5 vendors' real estate contracts; provided, however, that all such con-
6 tracts shall contain forfeiture provisions as provided for in chapter
7 656, and provided further that the requirements for loans as set forth
8 in section 534.21 shall be applicable to making and buying of such
9 contracts, except that at the time of purchase of such vendors' con-
10 tracts the association shall not purchase any such contract for more
11 than ninety percent of the value of the real estate therein described
12 appraised as required by section 534.21. No association shall here-
13 after invest more than fifteen percent of its assets in such vendors'
14 contracts authorized by this subsection. Said fifteen percent shall be
15 considered as included within the ~~thirty~~ forty percent of assets lend-
16 ing power set out hereinafter.

1 SEC. 2. Section five hundred thirty-four point nineteen (534.19),
2 subsection fifteen (15), Code 1971, as amended by chapter two hun-
3 dred fifty (250), section four (4), Acts of the Sixty-fourth General
4 Assembly, First Session, is amended to read as follows:

5 15. Service corporations. Any association shall have the power to
6 organize and own, alone or with any other similar corporation, a
7 service corporation for the mutual good of said corporations. An
8 association may invest in capital stock, obligations, or other securities
9 of service corporations in an amount not to exceed five percent of
10 the association's assets. *The supervisor of state chartered associations*
11 *shall have the right to examine said service corporations.*

1 SEC. 3. Section five hundred thirty-four point thirty-eight
2 (534.38), Code 1971, is amended to read as follows:

3 **534.38 Approval by members.** Such plan shall be submitted to the
4 members of both associations, either at the regular meeting or at
5 special meetings called for that purpose, and if approved by a vote
6 of ~~three-fourths~~ *fifty-one percent* of the members of each association,
7 voted in person or by proxy at said meeting, the same shall then be
8 filed in the office of the auditor of state, who shall issue a certificate
9 authorizing the consolidation.

Approved April 21, 1972.