

16A.18 Lending institution obligations.

1. The authority shall collect from each lending institution participating in the operating assistance program and each participating lending institution shall pay an amount equal to eight percent of the equity capital of each participating stock-owned lending institution and five percent of the surplus of each participating mutually owned lending institution.
2. The amount collected by the authority shall become moneys of the authority and shall be deposited in a special trust fund held in the name of and for the benefit of the authority by a state bank or national banking association with trust powers. The amount collected by the authority shall be invested while on deposit in the special trust fund and shall remain invested and on deposit in the special trust fund until the final maturity of the authority's obligations issued to fund the particular operating assistance program in which the lending institutions are participating. At the time of the final maturity the amount on deposit, including a pro rata share of any investment earnings not already used in accordance with subsection 3, shall be returned to the lending institution making the initial deposit.
3. All investment earnings from the amount on deposit in the special trust fund shall be deposited when earned into a separate account of the special trust fund and pledged to the payment of principal of and interest on the authority's obligations issued to fund the operating assistance program in which the lending institutions are participating pursuant to the resolution under which the obligations were issued. All investment earnings not used to pay principal of and interest on the authority's obligations shall be commingled with other moneys on deposit in the special trust fund and reinvested with such moneys.
4. Neither the authority nor the holders of any of the authority's obligations shall have any claim or right to the amount on deposit in the special trust fund other than to the investment earnings held in the separate account of the special trust fund. The authority shall not use the amount on deposit in the special trust fund, other than the earnings in the separate account, to pay principal of and interest on its obligations.

85 Acts, ch 252, §19

CS85, § 175A.18

C93, § 16A.18