

781—3.11(12C) Procedures upon default.

3.11(1) The acceptance of public funds deposits by a savings and loan constitutes consent by the savings and loan to assessments by the treasurer to cover losses of public funds in other savings and loans in accordance with Iowa Code section 12C.23 and the rules contained in this chapter.

3.11(2) Upon notification from a public unit that a public unit has not been completely repaid its principal and interest for a deposit, and upon notification that such principal and interest is not available from a letter of credit or pledged securities securing such deposit, the treasurer shall assess all savings and loans in the state with public deposits as provided in Iowa Code section 12C.23.

3.11(3) A savings and loan and any security given for the public funds in its possession are liable for payment if the savings and loan fails to pay a check, draft, or warrant drawn by the public officer or to account for a check, draft, warrant, order or certificates of deposit, or any public funds entrusted to it if in failing to pay the savings and loan acts contrary to the terms of an agreement between the savings and loan and the public body treasurer or, if the savings and loan fails to pay an assessment, by the treasurer of state when due.