

# A BILL

FOR AN ACT TO AMEND AN "ACT TO PROVIDE FOR THE ORGANIZATION AND  
MANAGEMENT OF SAVINGS BANKS, APPROVED MARCH 21st, 1874."

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

SECTION 1. That section 9 of said act be so amended as to read as follows, to-wit: It shall be lawful for the directors or trustees of any savings bank to invest the funds or capital belonging to such bank, and all moneys deposited therein, and all the gains and profits thereof, only as follows, to-wit :

*First.* In the stocks, or bonds or notes or warrants or evidences of debt, bearing interest of the United States, or of any State, county, city, town, village, township, or school district, or in other public interest bearing evidence of debt ; or,

*Second.* In notes or bonds secured by mortgage or deed of trust upon unincumbered real estate, worth at least twice the amount loaned thereon.

*Third.* It shall be lawful for such banks to discount, purchase, sell and make loans upon commercial paper, notes, bills of exchange, drafts or any other personal or public security, but no such bank shall purchase, hold or make loans upon the shares of its capital stock.

*Fourth.* In all cases of loans upon real estate all the expenses of searches, examinations, and certificates of title, or the inspection of property, appraisals of value, and of drawing, perfecting, and recording papers, shall be paid by such borrowers. Wherever buildings are included in the valuation of any real estate upon which a loan shall be made by said bank, they shall be insured by the mortgagor for the benefit of the bank, for at least two-thirds their value, in some reliable company, and the policy of insurance shall be duly assigned to the bank ; and it shall be lawful for said bank to renew such policy of insurance from year to year, in case the mortgagor neglects to do so, and may charge the same to him. All the necessary charges and expenses paid by said bank for such renewals shall be paid by such mortgager to the said bank, and shall be a lien upon the property so mortgaged until paid.

SEC. 2. That section 10 of the said act be so amended as to read as follows, to-wit :

Section 10. It shall be lawful for savings banks to purchase, hold, and convey other property than herein expressly provided only as follows, to-wit :

4       *First.* The lot and building in which the business of the bank may be carried on,  
5 and furniture, fixtures and appliances for the use of the bank.

6       *Second.* Such as shall have been purchased at sales, upon foreclosure of mortgages  
7 owned by the bank, or upon judgments or decrees owned by it, but all such property as  
8 is described in this clause, shall be sold by said bank as soon as it reasonably can be.

9       *Third.* That section 31 of said act be so amended as to read as follows, to-wit :

10       Section 31. Any bank or association doing a banking business, existing under and by  
11 virtue of any law of this State, may be reorganized under the provisions of this act,  
12 and any bank organized under this act may be reorganized under the general incorpora-  
13 tion laws. Such reorganization shall not destroy the corporate identity of the bank or  
14 association so reorganized, and shall not divest such bank or association of any of its  
15 rights, franchises or property, nor discharge or release same from any of its liabilities  
16 to its depositors, or to any other person or persons ; but after such reorganization its  
17 powers and duties shall be the same as if it had been originally what it is after such  
18 reorganization. Any such bank or association desiring to reorganize as a savings bank,  
19 may avail itself of the provisions of and become incorporated under this act, by filing  
20 with the Recorder of the county in which the principal place of business is located, a  
21 certificate, stating their intention and election to become so incorporated hereunder,  
22 and by filing a certified copy thereof in the office of the Secretary of State, which elec-  
23 tion and intention may be made and declared by the directors or trustees of such bank  
24 or association, or a majority of them. The certificate stating such intention may be  
25 signed by the president and cashier or other equivalent officer if there be no president  
26 or no cashier of such bank or association, and shall be acknowledged before some  
27 officer empowered to take acknowledgments of deeds, and in all other respects existing  
28 banks and associations reorganizing as savings banks hereunder, shall comply with and  
29 conform to all the provisions and requirements of this act, with reference to the original  
30 organization of savings banks so far as the same may be applicable, and as soon there-  
31 after as the Auditor's certificate is received and published, as hereinbefore provided,  
32 may proceed to transact business. Any savings bank desiring to reorganize under the  
33 general incorporation laws, may determine so to do by the vote of a majority of its  
34 board of directors or trustees. Upon such vote, articles of incorporation reciting its  
35 prior existence as a savings bank, and the vote determining to reorganize under the  
36 general incorporation laws, and in all other respects conforming to the requirements of  
37 the general incorporation laws, shall be prepared and approved by a majority of the  
38 board of directors or trustees, and shall be signed by the president and cashier or  
39 treasurer, and acknowledged by them before some officer empowered to take acknowl-  
40 edgments of deeds. Thereupon said articles shall be filed with the Recorder of deeds

41 and with the Secretary of State, and notice published as required by the general incor-  
42 poration laws, and such bank may commence business as reorganized as soon as the  
43 articles are filed and publication made as aforesaid.

SEC. 3. All acts and parts of acts in conflict with this act are hereby repealed, in so far as  
2 they affect the provisions of this act.

SEC. 4. This act being deemed of immediate importance, will take effect from and after  
2 its publication in the State Register and Leader of Des Moines.

# A BILL

FOR AN ACT TO AMEND AN ACT TO PROVIDE FOR THE ORGANIZATION AND MANAGEMENT OF SAVINGS BANKS, APPROVED MARCH 21st, 1874, AND TO PROVIDE FOR A CHANGE AND REORGANIZATION OF SUCH BANKS UNDER THE GENERAL INCORPORATION LAWS OF THE STATE.

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

SECTION 1. That section 31, of said act, be and the same is hereby amended so as to read  
2 as follows, and to be known as section 31 :

3 Section 31. Any bank or association doing a banking business, existing under and by  
4 virtue of any law of this State, may be reorganized under the provisions of this act, and  
5 any bank organization under this act may be reorganized under the general incorpora-  
6 tion laws. Such reorganization shall not destroy the corporate identity of the bank or  
7 association so reorganized, and shall not divest such bank or association of any of its  
8 rights, franchises or property, nor discharge or release same or stockholders from any of  
9 its or their liabilities to its depositors, or to any other person or persons, but after such  
10 reorganization its powers and duties shall be the same as if it had been originally what  
11 it is after such reorganization ; *provided however*, that any savings bank now or hereaf-  
12 ter organized as such, changing its organization under the provisions of this act shall so  
13 change its corporate name that it shall not violate the provisions of sections 20 and 21,  
14 of chapter 60, of the acts of the Fifteenth General Assembly. And any such bank or  
15 association desiring to reorganize as a savings bank may avail itself of the provisions of  
16 and become incorporated under this act, by filing with the recorder of the county in  
17 which the principal place of business is located, a certificate stating their intention and  
18 election to become so incorporated hereunder and by filing a certified copy thereof in  
19 the office of the Secretary of State, which election and intention may be made and de-  
20 clared by the directors or trustees of such bank or association or a majority of them.  
21 The certificate stating such intention may be signed by the president and cashier or  
22 other equivalent officer if there be no president or no cashier of such bank or associa-  
23 tion, and shall be acknowledged before some officer empowered to take acknowledg-  
24 ments of deeds, and in all other respects, existing banks and associations reorganizing  
25 as savings banks hereunder shall comply with and conform to all the provisions and re-  
26 quirements of this act, with reference to the original organization of savings banks so

27 far as the same may be applicable, and as soon thereafter as the auditor's certificate is  
28 received and published, as hereinbefore provided, may proceed to transact business.  
29 Any savings bank desiring to reorganize under the general incorporation laws, may de-  
30 termine so to do by the vote of the holders of three-fourths of its stock, and when nec-  
31 essary they shall increase the paid up capital to conform with the provisions of the gen-  
32 eral incorporation laws of the State. Upon such vote, articles of incorporation reciting  
33 its prior existence as a savings bank, and a vote to determine to reorganize under the  
34 general incorporation laws, and in all other respects conforming to the requirements of  
35 the general incorporation laws, shall be prepared and approved by a majority of the  
36 board of directors or trustees and shall be signed by the president and cashier, or treas-  
37 urer and acknowledged by them before some officer empowered to take acknowledg-  
38 ments of deeds. Thereupon said articles shall be filed with the recorder of deeds and  
39 with the Secretary of State and notice published as required by the general incorpora-  
40 tion laws, and such bank may commence business as reorganized as soon as the articles  
41 are filed and publication made as aforesaid.