



KIM REYNOLDS  
GOVERNOR  
ADAM GREGG  
LT. GOVERNOR

RONALD L. HANSEN  
SUPERINTENDENT

TO THE CHIEF EXECUTIVE OFFICER OF THE STATE CHARTERED BANK ADDRESSED:

RE: Annual Meeting of the Shareholders

The forms enclosed are to be prepared and used at the annual meeting of the bank shareholders and filed with the Superintendent of Banking within ten days following the meeting, as required by Sections 524.541 and 524.611 of the Code of Iowa. These documents should also be used as needed at other times during the year for special shareholder meetings, if the number of directors changes (up or down), if a director is replaced, etc.

**SHAREHOLDERS' RESOLUTION** — It will be necessary for the bank's shareholders to adopt a resolution fixing the number of individuals to constitute the board of directors during the ensuing year. The number of directors cannot be less than five nor more than the maximum number permitted by the Articles of Incorporation of the bank (524.601) (if a maximum has been established in the Articles of Incorporation). The shareholders must elect the number of directors fixed by the resolution at the **same** meeting (524.602). Resolution cannot be "at least" a number or "up to" a number; it must be a specific number. A shareholders' resolution should be completed and submitted to the Superintendent any time the number of directors changes.

"Number of shares present" refers to shares represented in person and those represented by proxy. "Number of shares present" should be equal to or greater than "Number of shares voting in affirmative." If there is only one shareholder, the number of shares present should be either "0" or all shares outstanding. If annual meeting is not held on date specified in Articles of Incorporation, please include a letter indicating **why** meeting was not held on correct date (524.532).

**OATH OF DIRECTORS** — Every director elected at the annual meeting of the shareholders must sign the oath (524.611). Type the names of all individuals elected (whether present at the meeting or not) below the signature so that we may be sure to have the correct name. If impossible to obtain signatures of all directors elected within the time indicated (ten days), forward the oath of those who signed. As soon as possible, have the absentee(s) execute an individual oath form and forward it to this office. (See Footnote 1 on *Oath of Directors* form.) If the director(s) sign(s) the *Oath of Directors* form, an individual oath form need not be signed. Prior to July 1, 1995, the president of the bank was required to be a member of the Board of Directors. Section 524.701(2) now requires that the bank's CEO be a member of the Board of Directors.

The Code has been amended to remove the requirement that a director of a state bank be required to own not less than \$500 (par value) of common stock in the state bank for which he/she was to serve as a director. However, the Articles of Incorporation of some state banks still require that directors be elected **from** the bank shareholders, which means that to be eligible to serve as a director, the person to be elected must own at least one share of common stock in the state bank, not the holding company. If your bank contemplates electing non-shareholders to its board of directors, the bank's Articles of Incorporation should be reviewed to determine if this is permissible. The column headed

“Number of Shares Owned” refers to **bank** stock shares owned, **not** holding company shares. The Articles of Incorporation of some banks also require that a vice president be elected to the Board of Directors or that the cashier shall act as secretary.

Any time the number of directors is increased or a director is replaced, an *Oath of Director* form should be completed and submitted to the Superintendent.

**CERTIFICATE OF ELECTIONS AND APPOINTMENTS** — List the name, address, and title of each officer of the bank. There should be a minimum of a president, vice president, and cashier (524.701(1)). Section 524.701(2) states that the Board shall elect one officer as the chief executive officer, who shall also be a member of the Board of Directors. The CEO also should be listed on this form.

**LIST OF SHAREHOLDERS** — On this form, you are to list each holder of bank stock outstanding and the number of shares owned by each as of the date of the annual meeting of the shareholders. Section 524.541 of the Code also requires, in the case of an affiliate (corporation, trust, estate, or association owning 50 percent or more of the bank’s stock) that is a shareholder in a state bank, that the names, addresses, and percentage of ownership or interest in the affiliate of the shareholders, members, or other individuals possessing a beneficial interest in said affiliate be included in the list. If such an affiliate is a shareholder in your bank, please use the form titled *Affiliate Shareholder List* for providing this office with the necessary information.

A careful reading of Division V of Chapter 524 of the Code is required prior to the annual meeting of the shareholders. In particular, you are referred to Section 524.533 of the Code, which requires that written or printed notice of the annual meeting of the shareholders must be given not less than 10 nor more than 60 days before the date of the meeting. You are referred to Sections 524.535 and 524.536 of the Code for provisions governing the preparation of the list of shareholders eligible to vote shares.

All of the forms are available to print or download from our website at [www.idob.state.ia.us](http://www.idob.state.ia.us). Click on Applications & Forms at the left side of the screen. The forms are under the Annual Meetings heading.

Please check all forms carefully before mailing to be sure that all instructions have been followed and that all forms have been properly signed and notarized. **All forms must be original forms with original signatures or copies of forms with original signatures. Signature stamps are not considered original signatures.** If you have any questions about the preparation of the forms, please do not hesitate to contact our office.

Sincerely,



Shauna Russell Shields  
Bank Bureau Chief

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