

of policy claims, accumulation of a reserve or emergency fund, the expense of management and prosecution of the business, by payment of assessments as provided in its contracts, and wherein the liability of the insured to contribute to the payment of policy claims is not limited to a fixed amount, shall be deemed to be engaged in the business of life insurance upon the assessment plan, and shall be subject to the provisions of this chapter, and chapter eight, of title nine of the code."

Approved March 23, A. D. 1906.

CHAPTER 76.

STIPULATED PREMIUM AND ASSESSMENT LIFE INSURANCE ASSOCIATIONS.

H. F. 197.

AN ACT to repeal the law as it appears in sections seventeen hundred eighty-four-a (1784-a) to seventeen hundred eighty-four-o (1784-o) inclusive, supplement to the code, relating to stipulated premium and assessment life insurance associations.

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

SECTION 1. **Repealed.** That the law as it appears in sections seventeen hundred eighty-four-a (1784-a) to seventeen hundred eight-four-o (1784-o) inclusive, supplement to the code be, and the same are hereby repealed.

Approved March 15, A. D. 1906.

CHAPTER 77.

INVESTMENT OF FUNDS OF INSURANCE COMPANIES AND ASSOCIATIONS.

H. F. 47.

AN ACT to amend the law which appears as section eighteen hundred and six (1806) supplement to the code relating to the investment of funds of insurance companies and associations.

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

SECTION 1. **Investment of funds.** That the law which appears as section eighteen hundred and six (1806), supplement to the code, be and the same is hereby repealed and the following enacted in lieu thereof:

"The funds required by law to be deposited with the auditor of state by any company or association contemplated in the two chapters preceding, and the funds or accumulations of any such company or association organized under the laws of this state, held in trust for the purpose of fulfilling any contract in its policies or certificates, shall be invested in the following described securities and no other:

1. The bonds of the United States;
2. The bonds of this state or of any other state when such bonds are at or above par;
3. Bonds or other evidences of indebtedness of any county, city, town or school district within the state or any other state, drainage district bonds of this state, improvement certificates issued by any municipal corporation of this state such certificates being a first lien upon real estate within the corporate limits of the municipality issuing the same, where such bonds or other evidences of indebtedness are issued by authority of and according to law and bearing interest, and are approved by the executive council;
4. Bonds and mortgages and other interest bearing securities being first liens upon real estate within this state or any other state worth at least double the amount loaned thereon and secured thereby exclusive of improvements, or two and one-half times such amount including the improvements thereon, if such improvements are constructed of brick or stone; but no such improvements shall be considered in estimating the value unless the