

17 prevent an unauthorized foreign or alien insurer from filing a motion
 18 to quash a writ or to set aside service thereof made in the manner
 19 provided in subsections (b) or (c) of section 2 hereof on the ground
 20 either (1) that such unauthorized insurer has not done any of the
 21 acts enumerated in subsection (a) of section 2, or (2) that the person
 22 on whom service was made pursuant to subsection (c) of section 2
 23 was not doing any of the acts therein enumerated.

1 SEC. 5. In any action against an unauthorized foreign or alien
 2 insurer upon a contract of insurance issued or delivered in this state
 3 to a resident thereof or to a corporation authorized to do business
 4 therein, if the insurer has failed for thirty days after demand prior
 5 to the commencement of the action to make payment in accordance
 6 with the terms of the contract, and it appears to the court that such
 7 refusal was vexatious and without reasonable cause, the court may
 8 allow to the plaintiff a reasonable attorney fee and include such fee in
 9 any judgment that may be rendered in such action. Such fee shall
 10 not exceed twelve and one-half per cent of the amount which the court
 11 or jury finds the plaintiff is entitled to recover against the insurer,
 12 but in no event shall such fee be less than twenty-five dollars. Failure
 13 of an insurer to defend any such action shall be deemed prima facie
 14 evidence that its failure to make payment was vexatious and without
 15 reasonable cause.

1 SEC. 6. If any provision of this act or the application thereof to
 2 any person or circumstances is held invalid, such invalidity shall not
 3 affect other provisions or applications of the act which can be given
 4 effect without the invalid provision or application, and to this end the
 5 provisions of this act are declared to be severable.

Approved May 18, 1949.

CHAPTER 213

EXAMINATION OF INSURANCE COMPANIES

S. F. 151

AN ACT relating to the examination of insurance companies and to repeal sections five hundred seven point two (507.2), five hundred seven point eighteen (507.18), five hundred fifteen point one hundred thirty (515.130), and five hundred eighteen point thirty-six (518.36), Code 1946, and to enact in lieu thereof a new section.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Sections five hundred seven point two (507.2), five
 2 hundred seven point eighteen (507.18), five hundred fifteen point one
 3 hundred thirty (515.130) and five hundred eighteen point thirty-
 4 six (518.36), Code 1946, are hereby repealed and the following enacted
 5 in lieu thereof: "The insurance commissioner may at any time ex-
 6 amine or inquire into the affairs of any insurance company authorized
 7 or seeking to be authorized to transact business in the state of Iowa.
 8 Domestic companies shall be examined at least once for each three
 9 year period."

Approved May 10, 1949.