

8 fund.' From this fund shall be paid all expenses incurred in the administra-  
 9 tion of this chapter. Any remainder in said fund at the end of each calendar  
 10 year, exclusive of any license fees deposited for the succeeding year, shall  
 11 revert to the general fund of the state."

Approved May 1, 1969.

---

CHAPTER 279

BUCKET SHOPS

S. F. 383

AN ACT relating to the prohibition of conducting, keeping, or maintaining bucket shops.

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

1 SECTION 1. A bucket shop within the meaning of this Act is defined  
 2 to be a place wherein the proprietor or keeper thereof, or the agent or  
 3 employee of such proprietor or keeper acting in his or its behalf, makes  
 4 or offers to make pretended purchases or sales, or contracts of pretended  
 5 purchases or sales, of shares of stock, investment securities or commodities  
 6 without a bona fide transaction on a board of trade, exchange or market.

7 For the purposes of this Act, a bona fide transaction involving the pur-  
 8 chase or redemption of shares of an investment company registered under  
 9 the Federal Investment Company Act of 1940, such investment companies  
 10 being commonly referred to as "mutual funds", shall be deemed a bona fide  
 11 transaction on a board of trade, exchange or market.

1 SEC. 2. It shall be a public offense for any corporation, association,  
 2 copartnership, person or persons, or agent to conduct, keep, maintain  
 3 or cause to be conducted, kept or maintained, within this state, any bucket  
 4 shop. Any corporation, person or persons, or agent whether acting individual-  
 5 ly or as a member, or as an officer, agent, or employee of any corporation,  
 6 association, or copartnership, who shall conduct, keep, maintain, or assist  
 7 in the conducting, keeping or maintaining of any bucket shop within this  
 8 state shall, upon conviction thereof, be fined in a sum not to exceed one  
 9 thousand dollars or be imprisoned in the penitentiary not exceeding two  
 10 years.

1 SEC. 3. Any person or persons who shall be convicted of a second  
 2 offense under section two (2) of this Act, in addition to the penalty pre-  
 3 scribed in section two (2) of this Act, may be both fined and imprisoned  
 4 in the discretion of the court, and, if a corporation, it shall be liable to  
 5 forfeiture of all its rights and privileges. The continuance of a bucket shop  
 6 after the first conviction shall be deemed a second offense.

1 SEC. 4. Chapter five hundred fifty-two (552), Code 1966, is hereby re-  
 2 pealed.

Approved June 5, 1969.