

5. The plaintiff in a civil action to collect a dishonored check, draft, or order brought before the district court sitting in small claims shall not request or recover punitive or exemplary damages, but may seek the civil damages allowed under this section. The plaintiff in a civil action to collect a dishonored check, draft, or order in the district court not sitting in small claims, may seek punitive or exemplary damages if appropriate under chapter 668A, or civil damages allowed under this section, but not both.

6. A violation of this section is an unlawful practice as provided in section 714.16, subsection 2, paragraph "a".

Approved May 1, 1995

CHAPTER 138
LIMITED LIABILITY COMPANIES
H.F. 490

AN ACT relating to limited liability companies.

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

Section 1. Section 490A.202, subsection 17, paragraph a, unnumbered paragraph 1, Code 1995, is amended to read as follows:

Except as otherwise provided in the articles of organization or an operating agreement, or as provided in paragraph "d", indemnify an individual made a party to a proceeding because the individual is or was a member or manager against liability incurred in the proceeding if all of the following apply:

Sec. 2. Section 490A.401, subsection 1, Code 1995, is amended to read as follows:

1. A limited liability company name must contain the words "Limited Company" or "Limited Liability Company" or the abbreviation "L.C." or "L.L.C." or words or abbreviations of like import in another language.

Sec. 3. Section 490A.702, subsection 3, paragraph b, Code 1995, is amended to read as follows:

b. Every manager is an agent of the limited liability company for the purpose of its business or affairs, unless otherwise provided in the articles of organization or an operating agreement. The act of any manager with agency authority, including, but not limited to, the execution in the name of the limited liability company of any instrument, for apparently carrying on in the ordinary course the business or affairs of the limited liability company shall bind the limited liability company, unless the manager so acting has, in fact, no authority to act for the limited liability company in the particular matter, and the person with whom the manager is dealing has knowledge of the fact that the manager has no such authority.

Sec. 4. Section 490A.702, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 6. For purposes of this section, a person is deemed to have knowledge of a provision in the articles of organization limiting the agency authority of a manager or class of managers.

Sec. 5. Section 490A.1301, subsection 3, Code 1995, is amended to read as follows:

3. Unless otherwise provided in the articles of organization or an operating agreement,

upon the death, insanity, retirement, resignation, withdrawal, expulsion, bankruptcy, or dissolution of a member or occurrence of any other event, ~~except assignment of a membership interest voluntarily or by operation of law,~~ that terminates the continued membership of a member in the limited liability company, unless the business of the limited liability company is continued by the consent of the members in the manner stated in the articles of organization or an operating agreement or if not so stated, by the unanimous consent of the remaining members.

Sec. 6. Section 490A.1501, subsection 4, Code 1995, is amended to read as follows:

4. "Profession" means the profession of certified public accountancy, architecture, chiropractic, dentistry, physical therapy, psychology, professional engineering, land surveying, landscape architecture, law, medicine and surgery, optometry, osteopathy, osteopathic medicine and surgery, accounting practitioner, podiatry, speech pathology, audiology, veterinary medicine, pharmacy, and nursing, and marriage and family therapy, provided that the marriage and family therapist is licensed under chapters 147 and 154D.

Approved May 1, 1995

CHAPTER 139

DELAYED DEPOSIT SERVICES BUSINESSES

S.F. 423

AN ACT relating to delayed deposit services businesses and providing penalties.

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

Section 1. NEW SECTION. 533D.1 TITLE.

This chapter shall be known and may be cited as the "Delayed Deposit Services Licensing Act".

Sec. 2. NEW SECTION. 533D.2 DEFINITIONS.

For purposes of this chapter, unless the context otherwise requires:

1. "Check" means a check, draft, share draft, or other instrument for the payment of money.
2. "Delayed deposit services business" means a person who for a fee does either of the following:
 - a. Accepts a check dated subsequent to the date it was written.
 - b. Accepts a check dated on the date it was written and holds the check for a period of time prior to deposit or presentment pursuant to an agreement with, or any representation made to, the maker of the check, whether express or implied.
3. "Licensee" means a person licensed to operate pursuant to this chapter.
4. "Person" means an individual, group of individuals, partnership, association, corporation, or any other business unit or legal entity.
5. "Superintendent" means the superintendent of banking.

Sec. 3. NEW SECTION. 533D.3 LICENSE REQUIRED - APPLICATION PROCESS - DISPLAY.

1. A person shall not operate a delayed deposit services business in this state unless the person is licensed by the superintendent as provided in this chapter.

2. An applicant for a license shall submit an application, under oath, to the superintendent on forms prescribed by the superintendent. The forms shall contain such information as the superintendent may prescribe.