

A BILL

FOR AN ACT TO AMEND SECTION 1806, CHAPTER 8, TITLE 9 OF THE CODE, RELATING TO LOANS ON LIFE INSURANCE POLICIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 1806, chapter 8, title 9, of the revised code, is hereby amended by
2 striking out paragraph 6 of said section and enacting in lieu thereof as follows:
3 6. Loans upon its own policies, in an amount not exceeding the net terminal reserve or
4 advanced insurance fund against the same, as shown by the valuation thereof made under the
5 direction of the auditor of state. If such loan is made the company must describe in the note
6 or contract taken, the amount of the loan, the name of the borrower, the number of the policy,
7 or such description satisfactory to the auditor of state, whereby the terms of such note or
8 contract makes the amount loaned a lien against such policy, and such note or con-
9 tract shall be numbered, dated and signed, giving the postoffice address of the insured. All
10 such securities shall be deposited with the auditor of state, who shall furnish the company or
11 association depositing them, a certificate, under the seal of his office, showing the purpose of
12 the deposit and to what fund it is to be applied when paid.