

the Committee 2/18

to House 3/25/81 (p. 679)

FILED MAR 5 1981

SENATE FILE 358

BY COMMITTEE ON COMMERCE

(FORMERLY SSB 197)

Approved 3/5 (p. 682)

Passed Senate, Date 3-13-81 (p. 785) Passed House, Date 4-24-81 (p. 1368)

Vote: Ayes 40 Nays 2 Vote: Ayes 90 Nays 2

Approved May 4, 1981

## A BILL FOR

1 An Act relating to exemptions from the Iowa uniform  
 2 securities Act for cooperative associations, cooper-  
 3 ative housing corporations, and mutual or cooperative  
 4 organizations.

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

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1 Section 1. Section 502.102, subsection 2, paragraph a,  
2 Code 1981, is amended to read as follows:

3 a. Effecting transactions in a security exempted by section  
4 502.202, ~~subsections~~ subsection 1, 2, 3, 4, 6, 10, 11 or 12,  
5 or a security issued by an industrial loan company licensed  
6 under chapter 536A, Code 1977;

7 Sec. 2. Section 499.59, Code 1981, is repealed.

8 EXPLANATION

9 This bill excludes from the definition of an "agent" in  
10 section 502.102 individuals who represent an issuer of  
11 securities of cooperative associations, cooperative housing  
12 corporations, or mutual or cooperative organizations, which  
13 meet the qualifications of subsection 12 of section 502.202.  
14 Agents must meet the registration requirements of the Iowa  
15 Uniform Securities Act.

16 This bill also repeals the limitation that securities  
17 issued by a chapter 499 cooperative association not exceed  
18 \$25,000 in order to fall under the exemptions of sections  
19 502.202 and 502.203. Section 502.203 of the Code exempts  
20 the security from registration under the Iowa Uniform  
21 Securities Act. Section 502.203 also provides an exemption  
22 from filing any prospectus, pamphlet, circular, form letter,  
23 sales literature, or other advertising communication addressed  
24 or intended for distribution to prospective investors.

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AN ACT  
RELATING TO EXEMPTIONS FROM THE IOWA UNIFORM SECURITIES ACT  
FOR COOPERATIVE ASSOCIATIONS, COOPERATIVE HOUSING CORPORA-  
TIONS, AND MUTUAL OR COOPERATIVE ORGANIZATIONS.

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

Section 1. Section 502.102, subsection 2, paragraph a,  
Code 1981, is amended to read as follows:

a. Effecting transactions in a security exempted by section  
502.202, ~~subsections~~ subsection 1, 2, 3, 4, 6, 10, 11 or 12,  
or a security issued by an industrial loan company licensed  
under chapter 536A, Code 1977;

Sec. 2. Section 499.59, Code 1981, is repealed.

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TERRY E. BRANSTAD  
President of the Senate

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DELWYN STROMER  
Speaker of the House

I hereby certify that this bill originated in the Senate and  
is known as Senate File 358, Sixty-ninth General Assembly.

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LINDA HOWARTH MACKAY  
Secretary of the Senate

Approved May 4, 1981

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ROBERT D. RAY  
Governor