

Railway corporations authorized to mortgage its property to secure bonds of other companies.

SEC. 2. That any railroad corporation organized under the laws of this state, is hereby authorized to mortgage its property and franchises, in whole or in part, to secure bonds issued by any other railroad corporation of this or any other state, which, at the time, is operating the road of such mortgagor under lease thereof, such bonds to be issued to refund or to secure means to pay the indebtedness of such lessor or mortgagor corporation, or improve or develop its property, for the purpose of effecting the object of its incorporation, and may be issued in such amounts, to run for such length of time, be made payable within or without this state, and bear such rate of interest (not exceeding the legal rate in this state at the time they are issued), as may be determined by and be acceptable to such lessee corporation. The lessee corporation is also hereby empowered to secure the bonds issued by it for any of the purposes aforesaid, by a mortgage of its leasehold interest in the property and franchises of the lessor company.

Payment.
Interest.

Publication clause.

SEC. 3. This act being deemed of immediate importance shall take effect and be in force from and after publication in the Iowa State *Register* and Des Moines *Leader*, newspapers published at Des Moines, Iowa.

Approved April 24th, 1894.

I hereby certify that the foregoing act was published in the Iowa State *Register* May 5, and Des Moines *Leader* May 2, 1894.

W. M. McFARLAND, *Secretary of State*.

CHAPTER 27.

S. F. 308. AN ACT to repeal chapter eighteen of the acts of the Twenty-fourth General Assembly, relating to taxes in aid of railways and to enact a substitute therefor.

Be it enacted by the General Assembly of the State of Iowa:

Ch. 18, 24 G.A., repealed.

SECTION 1. That chapter eighteen (18) of the acts of the 24th General Assembly be and the same is hereby repealed and the following enacted in lieu thereof.

Sec. 1, 2, ch. 159, 20 G. A., repealed.

"SEC. 1. That section 2 and section 4 of chapter 159 of the acts of the 20th General Assembly are hereby repealed and the following sections enacted in lieu thereof:

Substitute.
Tax aid to
railways.

"Section 2. That taxes not exceeding five per centum on the assessed value of any township, incorporated town or city may be voted to aid any railroad company which is or may become incorporated under the laws of the state of Iowa, to aid in the construction of a projected railroad within this state as hereinafter provided."

Stipulation and condition.

"Section 3. The stipulations and conditions in the notices prescribed in said act, must conform to those set forth in the petition asking for the election; and the aggregate amount of tax voted after the passage of this act, under the provisions of said chapter 159, of the acts of the Twentieth General Assembly, as amended by chapter 19, of the acts of the Twenty-third General Assembly, in any township incor-

porated town or city, shall not exceed five per centum of the assessed value of the property therein respectively.”

Not to exceed five per cent of assessed value. Publication clause.

Section 2. This act being deemed of immediate importance shall take effect upon publication in the Iowa State Register and the Des Moines Leader.

Approved April 24, 1894.

I hereby certify that the foregoing act was published in the Iowa State Register May 1, and the Des Moines Leader May 3, 1894.

W. M. MCFARLAND, Secretary of State.

CHAPTER 28.

AN ACT relating to certain contracts for the conditional sale, lease, or hire of railroad and street railway equipment and rolling stock, and providing for the recording thereof. S. F. 316.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. In any contract for the sale of railroad or street railway equipment or rolling stock, it shall be lawful to agree that the title to the property sold or contracted to be sold, although possession thereof may be delivered immediately, or at any time or times subsequently, shall not vest in the purchaser until the purchase price shall be fully paid, or that the seller shall have and retain a lien thereon for the unpaid purchase money. And in any contract for the leasing or hiring of such property, it shall be lawful to stipulate for a conditional sale thereof at the termination of such contract, and that the rentals or amounts to be received under such contract, may as paid, be applied and treated as purchase money, and that the title to the property shall not vest in the lessee or bailee until the purchase price shall have been paid in full, and until the terms of the contract shall have been fully performed, notwithstanding delivery to and possession by such lessee or bailee; *provided*, that no such contract shall be valid as against any subsequent judgment creditor, or any subsequent bona fide purchaser for value and without notice, unless:

Title not vested in purchaser until price has been fully paid.

Stipulation for conditional sale.

Contract not valid against subsequent judgment.

I. The same shall be evidenced by an instrument executed by the parties and duly acknowledged by the vendee or lessee or bailee, as the case may be, in the same manner as deeds are acknowledged or proved. Evidenced and acknowledged.

II. Such instrument shall be filed for record in the office of the secretary of this state. Recorded with secretary of state.

III. Each locomotive engine or car so sold, leased or hired, or contracted to be sold, leased or hired as aforesaid, shall have the name of the vender, lesser or bailor plainly marked on each side thereof, followed by the word "owner" "lesser" or "bailor," as the case may be. Name on rolling stock.

SEC. 2. The contracts herein authorized shall be recorded by the secretary of state in a book of records to be kept for that purpose. And on payment in full of the purchase money, and the performance of the terms and conditions Contract to be recorded.