

**SEC. 2. Solicitation by agents—expenditure of funds.** Soliciting of proxies by an agent of the company either for personal use or for the use of officers of the company or association, or for any other persons, is forbidden. Nor shall any of the funds of a company or association be expended in procuring proxies.

**SEC. 3. Penalty.** Any violation of this act shall be deemed a misdemeanor and punishable accordingly.

Approved April 4, A. D. 1907.

## CHAPTER 78.

### EXAMINATION OF INSURANCE COMPANIES.

#### H. F. 2.

AN ACT to amend the law which appears as chapter fifty-six (56), acts of the Thirtieth General Assembly, relating to examination of insurance companies.

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

**SECTION 1. Compensation of insurance examiner.** That the law which appears as chapter fifty-six (56) acts of the Thirtieth General Assembly, be and the same is hereby amended by striking out of line four (4) of section three (3) of said chapter, the word "two" and inserting in lieu thereof the word "three".

**SEC. 2. In effect.** This act, being deemed of immediate importance, shall take effect and be in force from and after the date of its publication in the Des Moines Daily Capital and Register and Leader, newspapers published in the city of Des Moines, Iowa.

Approved February 9, A. D. 1907.

I hereby certify that the foregoing act was published in the Register and Leader and the Des Moines Capital, February 12, 1907.

W. C. HAYWARD,  
*Secretary of State.*

## CHAPTER 79.

### INSURANCE COMPANIES ORGANIZED UPON THE STOCK PLAN.

#### S. F. 42.

AN ACT relating to the capital stock of insurance companies, providing the conditions under which such companies shall operate upon the stock plan, prohibiting the advertising of an authorized capital, and providing penalties for the violation hereof. [Additional to chapters four (4) and six (6) of title nine (IX) of the code.]

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

**SECTION 1. Capital stock—minimum amount.** From and after the taking effect of this act, no insurance company shall be incorporated to transact business upon the stock plan, whether life insurance or insurance other than life, with less than one hundred thousand dollars (\$100,000) capital, the entire amount of which shall be fully paid up in cash and invested as provided by law. No part of the capital referred to, shall be loaned to any officer or stockholder of the company.

**SEC. 2. Companies heretofore organized.** The certificate of authority of any company heretofore organized and transacting business on the stock plan shall not be renewed after January 1st, 1910, unless said company shall have, at said time, at least one hundred thousand dollars (\$100,000) of capital stock; at least fifty thousand dollars (\$50,000) of which shall be paid up in cash and invested according to law. The remainder of said capital may be represented by stock notes payable to the company on demand of its board of directors and said notes shall be deposited with the auditor of state subject to his approval. But no increase of the capital stock of any company shall hereafter be made unless the amount of said increase is paid up in cash.

**SEC. 3. May not advertise authorized capital.** No insurance company shall, after the taking effect of this act, be permitted to advertise or publish an authorized capital, or to represent in any manner itself as possessed of any greater capital than that actually paid up and invested as above provided.

**SEC. 4. Penalty.** Any person, firm or corporation violating any of the provisions of this act, or failing to comply with any of its provisions, shall be subjected to the penalties provided in section four of chapter fifty-six, acts of the Thirtieth General Assembly.

Approved April 4, A. D. 1907.

## CHAPTER 80.

### MUTUAL ASSESSMENT ASSOCIATIONS.

S. F. 20.

AN ACT to repeal chapter five (5) of title nine (IX) of the code and enact a substitute therefor. [And to repeal section seventeen hundred and fifty-nine (1759) of the code as amended, and sections seventeen hundred and sixty (1760) to seventeen hundred and sixty-seven (1767), inclusive, of the code, relating to mutual assessment associations.]

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

**SECTION 1. Repealed—organization—purposes.** That chapter five (5) of title IX (9) of the code be repealed and the following enacted in lieu thereof:

Any number of persons may, without regard to the provisions of the preceding chapter, enter into contracts with each other for the insurance from loss or damage by fire, tornadoes, lightning, hailstorms, cyclones or windstorms and to insure plate glass against breakage from accident, but such associations of persons shall in no case insure any property not owned by one of their own number, except such school and church property as may be situated within the territory in which they do business and the reinsurance of the risks of similar associations. Associations organizing for the purpose of transacting business under the provisions of this chapter shall incorporate under the provisions of chapter one (1) of title IX (9) of the code.

Risks or hazards above mentioned shall be classified as follows:

1. Fire and lightning.
2. Tornadoes, cyclones and windstorms.
3. Hailstorms.
4. Plate glass.

**Sec. 2. County and state associations.** Any association incorporated under the laws of this state for the purpose of furnishing insurance as provided for in this chapter, doing business only within the county in which