

CHAPTER 66.

BANKS, TRUST COMPANIES, ETC.

H. F. 294.

AN ACT to authorize state banks, savings banks or trust companies, incorporated under the laws of Iowa, to make and execute bankers' acceptances of drafts and bills of exchange, and to accept such drafts or bills of exchange drawn upon said state bank, savings bank or trust company, having not more than six months time to run exclusive of the days of grace.

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

1 SECTION 1. Acceptance of drafts, etc. That any state bank, savings
2 bank or trust company may accept drafts or bills of exchange drawn
3 upon it having not more than six months' sight to run, exclusive of
4 days of grace, which grow out of transactions involving the importa-
5 tion or exportation of goods; or which grow out of transactions involv-
6 ing the domestic shipment of goods provided shipping documents
7 conveying or securing title are attached at the time of acceptance; or
8 which are secured at the time of acceptance by a warehouse receipt or
9 other such document conveying or securing title covering readily
10 marketable staples. No state bank, savings bank or trust company
11 shall accept, whether in a foreign or domestic transaction, for any one
12 person, company, firm or corporation to an amount equal at any time
13 in the aggregate to more than ten per centum of its paid-up and unim-
14 paired capital stock and surplus, unless the bank is secured either by
15 attached documents or by some other actual security growing out of
16 the same transaction as the acceptance; nor shall the total of bills
17 accepted for and money borrowed by any one person, company, firm
18 or corporation exceed in the aggregate more than twenty per centum
19 of its paid-up capital and surplus; and no bank shall accept such bills
20 to an amount equal at any time in the aggregate to more than one half
21 of its paid-up and unimpaired capital stock and surplus. Provided,
22 however, that the superintendent of banking under such general
23 regulations as he may prescribe, which shall apply to all banks alike
24 regardless of the amount of capital stock and surplus, may authorize
25 any state bank, savings bank or trust company to accept such bills to
26 an amount not exceeding at any time in the aggregate one hundred
27 per centum of its paid-up and unimpaired capital stock and surplus.
28 Provided, further, that the aggregate of acceptances growing out of
29 domestic transactions shall in no event exceed fifty per centum of such
30 capital stock and surplus.

Approved March 17, A. D. 1919.