

CHAPTER 263

INSURANCE

H. F. 206

AN ACT to amend, revise, and codify section five thousand four hundred seventy-eight (5478) of the supplement to the compiled code of Iowa, relating to life insurance companies.

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

That section five thousand four hundred seventy-eight (5478) of the supplement to the compiled code of Iowa is amended, revised and codified to read as follows:

SECTION 1. Capital and surplus—deposit—general regulations.

1 Stock companies organized to transact business under the provisions
2 of chapter two (2) title 18 of the compiled code, shall have not less
3 than one hundred thousand dollars (\$100,000.00) of capital stock paid
4 up in cash and when first authorized to write insurance shall have
5 a cash surplus in an amount equal to twenty-five (25) per cent of the
6 paid-up capital stock, which capital stock shall be invested as pro-
7 vided by section five thousand five hundred thirty-two (5532) of the
8 compiled code, and such securities shall be deposited with the com-
9 missioner of insurance and when such deposit is made and evidence
10 furnished, by affidavit or otherwise, satisfactory to the commissioner
11 that the capital stock is all fully paid and the company possessed of
12 the surplus required and that the company is the actual and un-
13 qualified owner of the securities representing the paid-up capital stock
14 or other funds of the company, and all laws have been complied with,
15 he shall issue to such company the certificate hereinafter provided
16 for. No part of the capital or other funds shall be loaned directly
17 or indirectly to any officer, director, stockholder or employee of the
18 company or directly or indirectly to any relative of any officer or
19 director of such company. No such company shall make any loan
20 upon its own stock as collateral, or directly or indirectly make any
21 loan to or invest any of its funds in the property of any corporation,
22 firm, association or trustees of which any officer or director of the
23 insurance company is also an officer, director, stockholder, member
24 or trustee of such other corporation, firm, association, or trustees.

Approved March 17, A. D. 1923.