

20 "6. Amend paragraph four (4), subsection c, by striking from  
21 line nine (9) and from line twelve (12) the word "funded" and in-  
22 serting in lieu thereof the word "mortgage"."

23 7. Amend paragraph four (4), subsection f, by striking from line  
24 ten (10) the word "seventy" and substituting in lieu thereof the  
25 word "fifty-five".

26 "8. Amend paragraph four (4), subsection f, by striking from  
27 lines one (1) and nine (9), the word "funded" and inserting in lieu  
28 thereof the word "mortgage"."

29 "9. Amend paragraph four (4), subsection f, by striking from  
30 lines three (3) and four (4), the words "as shown by the books of the  
31 corporation"."

1 SEC. 2. **Publication clause.** This act is deemed of immediate impor-  
2 tance and shall take effect from and after its publication in two (2)  
3 newspapers of this state as provided by law.

Senate File No. 181. Approved April 16, A. D. 1929.

I hereby certify that the foregoing act was published in the Sidney Argus April 25,  
1929, and the Hawarden Chronicle April 25, 1929.

ED. M. SMITH, *Secretary of State.*

## CHAPTER 223

### INVESTMENT OF FUNDS

AN ACT to amend section eighty-seven hundred thirty-seven (8737), code, 1927, relating to the investments of the funds of life insurance companies and associations.

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

1 SECTION 1. Section eighty-seven hundred thirty-seven (8737),  
2 code, 1927, is amended by inserting immediately following paragraph  
3 four (4) of said section, the following, to wit:

4 "5. **Railroad bonds.** (a) Mortgage bonds of any railroad or rail-  
5 way corporation owning in fee not less than five hundred (500) miles  
6 of railroad, and located wholly or in part in any state or states of the  
7 United States, the capital stock of which equals at least one-third  
8 (1/3) of its funded indebtedness, and which has been paid regularly  
9 for the five (5) years next preceding the date of such investment all  
10 interest charges on said funded indebtedness, and which has earned  
11 regularly for such period dividends of at least four per cent (4%)  
12 per annum upon all its issues of capital stock; or in the mortgage  
13 bonds of any railroad, railway, or terminal corporation which have  
14 been, both as to principal and interest, assumed or guaranteed by any  
15 such railroad or railway corporation.

16 (b) Notes or certificates of any equipment trust created in behalf  
17 of any railroad coming within the terms of paragraph (a) above,  
18 provided that the plan of such trust, in case of any railroad coming  
19 within the terms of paragraph (a) includes an initial cash payment  
20 of at least twenty-five per cent (25%), and that such notes mature  
21 not later than fifteen (15) years from the date of issue, and retire-

22 ment of such notes begins not later than six (6) years from the date  
23 of purchase."

1 SEC. 2. Paragraphs five (5) to nine (9), inclusive, of said section  
2 eighty-seven hundred thirty-seven (8737) are hereby renumbered as  
3 paragraphs six (6) to ten (10), inclusive.

Senate File No. 295. Approved April 18, A. D. 1929.

## CHAPTER 224

### INSURANCE

AN ACT to amend sub-section nine (9) of section eighty-seven hundred thirty-seven (8737) of the code 1927, relating to the deposit of certain securities by life insurance companies and associations with the commissioner of insurance, and the withdrawal thereof; and to amend section eighty-seven hundred thirty-six (8736) of the code 1927, so as to except the securities deposited under sub-section nine (9) of section eighty-seven hundred thirty-seven (8737) of the code, 1927, from the requirements thereof.

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

1 SECTION 1. That sub-section nine (9) of section eighty-seven hun-  
2 dred thirty-seven (8737) of the code, 1927, is hereby amended by  
3 striking out all of said sub-section from and after the first paragraph  
4 thereof and by substituting the following in lieu thereof:

5 "Said companies may also substitute for such securities warranty  
6 deeds conveying any of the property included in the original mortgage  
7 to the commissioner of insurance, and to his successors in office, in  
8 their official capacity."

9 "Before depositing any such deed with the commissioner of insur-  
10 ance it shall first be recorded in the county where such property is  
11 located. Said deed shall be accompanied by a certificate that the com-  
12 pany has in its possession either an abstract showing good title to the  
13 property conveyed or a policy or contract guaranteeing said title, and  
14 said deed shall be accepted for deposit not in excess of the amount  
15 of the original security, and only so long as the company annually  
16 certifies the taxes are paid and fire insurance maintained. Upon re-  
17 quest of the company any of such property shall be reconveyed by  
18 quit-claim deed by the commissioner then in office, in his official  
19 capacity, to the company or other person designated by such company,  
20 and in any event shall be so reconveyed at the end of ten years from  
21 the date of the conveyance to the commissioner. The company may  
22 agree to sell any property to which it has obtained title in connection  
23 with the foreclosure or satisfaction of a mortgage, or mortgages,  
24 under contract of sale, in form to be approved by the commissioner of  
25 insurance, and to run for a period of not longer than twenty years.  
26 Such contracts when assigned to the commissioner, in form satisfac-  
27 tory to him, may be substituted for any of the securities hereinbefore  
28 mentioned, or may be deposited with the commissioner as provided  
29 in section eighty-six fifty-five (8655), the valuation to be fixed by  
30 the commissioner, which may be changed from time to time as he  
31 may determine."