

13 by such administrator and bonds issued by or guaranteed by the Do-
14 minion of Canada.

1 SECTION 2. Subsection six (6) of section eighty-eight hundred
2 twenty-nine (8829) is amended by striking all of the first sentence fol-
3 lowing the word "state" in the fourth line thereof and substituting
4 the following in lieu thereof:

5 "provided that the total indebtedness secured by such lien shall not
6 exceed sixty per cent (60%) of the value of the property upon which
7 it is a lien, provided, however, that such sixty per cent (60%) limita-
8 tion shall not apply to bonds and notes described in subsection one (1)
9 of this section."

1 SECTION 3. Subsection eight (8) of section eighty-eight hundred
2 twenty-nine (8829) is amended by striking from said subsection after
3 the comma following the word "company" in the thirty-third line
4 thereof, the words, "and in any event shall be so reconveyed at the
5 end of ten years from the date of the conveyance to the Commission-
6 er", and enacting the following in lieu thereof:

7 "and shall be so reconveyed at the end of ten years from the date
8 of conveyance to the Commissioner unless for good cause shown, the
9 Commissioner may extend the time for reconveyance."

1 SECTION 4. Section eighty-eight hundred twenty-nine (8829), sub-
2 section eight (8), is amended by striking from lines 49 and 50, the
3 words "contracts of sale,". Also strike the word "twenty" in line
4 51 and insert in lieu thereof the word "thirty".

1 SECTION 5. Section eighty-eight hundred twenty-nine (8829) is
2 amended by adding thereto the following subsection, to be numbered
3 subsection nine (9).

4 **9. Substitution of contracts of sale and purchase money mortgages**
5 **or purchase money deeds of trust.** Companies or associations may sub-
6 stitute for securities deposited contracts of sale, purchase money
7 mortgages or purchase money deeds of trust obtained through fore-
8 closure, settlement or satisfaction of other securities but only for an
9 amount approved by the commissioner of insurance.

Approved April 26, 1939.

CHAPTER 226

INVESTMENTS OF INSURANCE COMPANIES

S. F. 57

AN ACT to amend subsection six (6) of section eight thousand nine hundred twenty-seven (8927), code, 1935, relating to investments by insurance companies formed for the purpose of insurance other than life insurance to permit investment of the capital and funds of such insurance companies in the corporate stock of such company in furtherance of a general savings and investment plan for employees.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Subsection six (6) of section eight thousand nine hun-
2 dred twenty-seven, Code, 1935, is hereby amended by inserting after

3 the word "corporation" in line ten (10) the following:
 4 " , and provided further that any such company may purchase or
 5 acquire its own stock in furtherance of a general savings and invest-
 6 ment plan for employees of such company with the approval of the
 7 Iowa State Insurance Commissioner."

Approved April 24, 1939.

CHAPTER 227

INVESTMENTS OF INSURANCE COMPANIES

S. F. 423

AN ACT to repeal subdivisions one (1), two (2) and three (3) of section eighty-nine hundred twenty-seven (8927), code, 1935, and to enact substitutes therefor relating to investments of insurance companies other than life.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Subdivisions one (1), two (2) and three (3) of Sec-
 2 tion eighty-nine hundred twenty-seven (8927), Code, 1935, are here-
 3 by repealed and the following enacted in lieu thereof:

4 1. **Federal and territorial obligations.** Bonds or other evidences
 5 of indebtedness issued or guaranteed by the United States, Federal
 6 farm loan bonds, Federal home loan bank bonds, Home Owners' Loan
 7 Corporation bonds, bonds, notes or obligations representing loans and
 8 advances of credit which are eligible for insurance by the Federal
 9 housing administrator, and bonds, notes or obligations secured by
 10 real property or leasehold which the Federal housing administrator
 11 has insured or has committed himself to insure or debentures issued
 12 by such administrator.

13 2. **State and municipal obligations.** Bonds or other evidence of in-
 14 debtedness issued or guaranteed by the state of Iowa or any other
 15 state, or any county, city, town, school, road, drainage, or other dis-
 16 trict, or any civil subdivision or governmental authority of such state
 17 or states, or any instrumentality of any such authorized by statute
 18 to borrow money and issue securities, provided that the obligations
 19 are:

20 a. General or full faith and credit obligations of the issuing or
 21 guaranteeing unit, or

22 b. Payable from assessments levied for improvement purposes and
 23 secured by a lien upon real estate, or

24 c. Payable from especially designated revenues which are specific-
 25 ally pledged to the payment of principal and interest on such obli-
 26 gations.

27 3. **Canadian government and municipal obligations.** Bonds or other
 28 evidences of indebtedness issued or guaranteed by the Dominion of
 29 Canada, or any province thereof, or any municipality or district there-
 30 in with a population in excess of ten thousand (10,000) according to
 31 the last dominion or provincial census taken prior to the date of such
 32 investment, which are general or full faith and credit obligations of
 33 the issuing or guaranteeing unit.

Approved April 22, 1939.