

## CHAPTER 340

## PUBLIC WAREHOUSES

S. F. 544

AN ACT to define a public warehouse engaged in the business of storing goods for profit, as provided by section five hundred forty-two point fifty-eight (542.58), Code 1958.

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

1 Section five hundred forty-two point fifty-eight (542.58), Code  
2 1958, is hereby amended by adding a new subsection thereto as fol-  
3 lows:

4 "A public warehouse shall mean a warehouse which is engaged in  
5 the business of storing goods for others for profit, which issues ne-  
6 gotiable or non-negotiable warehouse receipts to the owner of goods  
7 stored therein, operating under a bailor-bailee relationship, offering  
8 and making available its facilities to the public generally under uni-  
9 form tariffs or schedules of charges and rates for various commodi-  
10 ties, products or services and always holding out or utilizing its  
11 facilities for public storage for hire and not for storage of any com-  
12 modities or products directly or indirectly owned or controlled by the  
13 warehouse owner or operator."

Approved May 5, 1959.

## CHAPTER 341

## FOREIGN ACKNOWLEDGMENTS

H. F. 443

AN ACT relating to foreign acknowledgments.

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

1 SECTION 1. Section five hundred fifty-eight point thirty-nine  
2 (558.39), Code 1958, is hereby amended by adding the following  
3 paragraph:

4 "Any instrument affecting real estate situated in this state which  
5 has been or may be acknowledged or proved in a foreign state or coun-  
6 try and in conformity with the laws of that foreign state or country,  
7 shall be deemed as good and valid in law as though acknowledged or  
8 proved in conformity with the existing laws of this state."

Approved April 27, 1959.

## CHAPTER 342

## GIFTS TO MINORS

S. F. 172

AN ACT relating to gifts of securities and money to minors and to make uniform the law with reference thereto.

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

1 SECTION 1. In this Act, unless the context otherwise requires:  
2 1. An "adult" is a person who has attained the age of twenty-one  
3 (21) years.

4 2. A "bank" is a bank, trust company, national banking associa-  
5 tion, savings bank or industrial bank.

6 3. A "broker" is a person lawfully engaged in the business of ef-  
7 fecting transactions in securities for the account of others. The term  
8 includes a bank which effects such transactions. The term also in-  
9 cludes a person lawfully engaged in buying and selling securities for  
10 his own account, through a broker or otherwise, as a part of a regular  
11 business.

12 4. "Court" means the supreme court, district courts, and such other  
13 courts, inferior to the supreme court, as the general assembly may  
14 establish or has established.

15 5. "The custodial property" includes:

16 a. All securities and money under the supervision of the same cus-  
17 todian for the same minor as a consequence of a gift or gifts made to  
18 the minor in a manner prescribed in this Act;

19 b. The income from the custodial property; and

20 c. The proceeds, immediate and remote, from the sale, exchange,  
21 conversion, investment, reinvestment or other disposition of such  
22 securities, money and income.

23 6. A "custodian" is a person so designated in a manner prescribed  
24 in this Act.

25 7. A "guardian" of a minor includes the general guardian, guard-  
26 ian, tutor or curator of his property, estate or person.

27 8. An "issuer" is a person who places or authorizes the placing of  
28 his name on a security, other than as a transfer agent, to evidence that  
29 it represents a share, participation or other interest in his property  
30 or in an enterprise or to evidence his duty or undertaking to perform  
31 an obligation evidenced by the security, or who becomes responsible  
32 for or in place of any such person.

33 9. A "legal representative" of a person is his executor or the ad-  
34 ministrator, general guardian, guardian, committee, conservator,  
35 tutor or curator of his property or estate.

36 10. A "member" of a "minor's family" means any of the minor's  
37 parents, grandparents, brothers, sisters, uncles and aunts, whether  
38 of the whole blood or the half blood, or by or through legal adoption.

39 11. A "minor" is a person who has not attained the age of twenty-  
40 one (21) years.

41 12. A "security" shall include any note, stock, treasury stock, bond,  
42 debenture, evidence of indebtedness, certificate of interest in an oil,  
43 gas, or mining lease, collateral trust certificate, preorganization cer-  
44 tificate, preorganization subscription, any transferable share, invest-  
45 ment contract, or beneficial interest in title to property, interest in or  
46 under a profit-sharing or participating agreement or scheme, or any  
47 other instrument commonly known as a security. The term does not  
48 include a security of which the donor is the issuer. A security is in  
49 "registered form" when it specifies a person entitled to it or to the  
50 rights it evidences and its transfer may be registered upon books main-  
51 tained for that purpose by or on behalf of the issuer.

52 13. A "transfer agent" is a person who acts as authenticating trust-  
53 tee, transfer agent, registrar or other agent for an issuer in the regis-  
54 tration of transfers of its securities or in the issue of new securities  
55 or in the cancellation of surrendered securities.

56 14. A "trust company" is a bank authorized to exercise trust pow-  
57 ers.

1 SEC. 2.

2 1. An adult person may, during his lifetime, make a gift of a secu-  
3 rity or money to a person who is a minor on the date of the gift.

4 a. If the subject of the gift is a security in registered form, by  
5 registering it in the name of the donor, another adult person or a  
6 trust company, followed, in substance, by the words: "as custodian  
7 for ..... under the Iowa Uniform Gifts to Minors Act";  
8 name of minor

9 b. If the subject of the gift is a security not in registered form, by  
10 delivering it to an adult person other than the donor or a trust com-  
11 pany, accompanied by a statement of gift in the following form, in  
12 substance, signed by the donor and the person designated as custo-  
13 dian:

14 "GIFT UNDER THE IOWA UNIFORM GIFTS TO MINORS ACT  
15 I, ....., hereby deliver to ..... as custo-  
16 name of donor name of custodian  
17 dian for ....., under the Iowa Uniform Gifts to Minors  
18 name of minor  
19 Act, the following security (ies):  
20 (insert an appropriate description of the security or securities de-  
21 livered sufficient to identify it or them)

22 .....  
23 (signature of donor)  
24 ..... hereby acknowledges receipt of the above de-  
25 (name of custodian)  
26 scribed security (ies) as custodian for the above minor under the  
27 Iowa Uniform Gifts to Minors Act.  
28 Dated: .....  
29 (signature of custodian)"

30 c. If the subject of the gift is money, by paying or delivering it to  
31 a broker or a bank for credit to an account in the name of the donor,  
32 another adult person or a bank with trust powers, following, in sub-  
33 stance, by the words: "as custodian for ..... under the  
34 (name of minor)  
35 Iowa Uniform Gifts to Minors Act".

36 2. Any gift made in a manner prescribed in subsection one (1)  
37 may be made to only one (1) minor and only one (1) person may be  
38 the custodian.

39 3. A donor who makes a gift to a minor in a manner prescribed in  
40 subsection one (1) shall promptly do all things within his power to  
41 put the subject of the gift in the possession and control of the custo-  
42 dian, but neither the donor's failure to comply with this subsection,  
43 nor his designation of an ineligible person as custodian affects the con-  
44 summation of the gift.

1 SEC. 3.

2 1. A gift made in a manner prescribed in this Act is irrevocable  
3 and conveys to the minor indefeasibly vested legal title to the secu-  
4 rity or money given, but no guardian of the minor has any right,  
5 power, duty or authority with respect to the custodial property ex-  
6 cept as provided in this Act.

7 2. By making a gift in a manner prescribed in this Act, the donor  
8 incorporates in his gift all the provisions of this Act and grants to  
9 the custodian, and to any issuer, transfer agent, bank, broker or third  
10 person dealing with a person designated as custodian, the respective  
11 powers, rights and immunities provided in this Act.

1 SEC. 4.

2 1. The custodian shall collect, hold, manage, invest and reinvest  
3 the custodial property.

4 2. The custodian shall pay over to the minor for expenditure by  
5 him, or expend for the minor's benefit, so much of or all the custo-  
6 dial property as the custodian deems advisable for the support, main-  
7 tenance, education and benefit of the minor in the manner, at the  
8 time or times, and to the extent that the custodian in his discretion  
9 deems suitable and proper, with or without court order, with or with-  
10 out regard to the duty of himself or of any other person to support  
11 the minor or his ability to do so, and with or without regard to any  
12 other income or property of the minor which may be applicable or  
13 available for any such purpose.

14 3. The court, on the petition of a parent or guardian of the minor  
15 or of the minor, if he has attained the age of fourteen (14) years,  
16 may order the custodian to pay over to the minor for expenditure by  
17 him or to expend so much of or all the custodial property as is neces-  
18 sary for the minor's support, maintenance or education.

19 4. To the extent that the custodial property is not so expended, the  
20 custodian shall deliver or pay it over to the minor on his attaining  
21 the age of twenty-one (21) years or, if the minor dies before at-  
22 taining the age of twenty-one (21) years, he shall thereupon deliver  
23 or pay it over to the estate of the minor.

24 5. The custodian, notwithstanding statutes restricting investments  
25 by fiduciaries, shall invest and reinvest the custodial property as  
26 would a prudent man of discretion and intelligence who is seeking a  
27 reasonable income and the preservation of his capital, except that he  
28 may, in his discretion and without liability to the minor or his estate,  
29 retain a security given to the minor in a manner prescribed in this  
30 Act.

31 6. The custodian may sell, exchange, convert or otherwise dispose  
32 of custodial property in the manner, at the time or times, for the price  
33 or prices and upon the terms he deems advisable. He may vote in  
34 person or by general or limited proxy a security which is custodial  
35 property. He may consent, directly or through a committee or other  
36 agent, to the reorganization, consolidation, merger, dissolution or  
37 liquidation of an issuer, a security which is custodial property, and  
38 to the sale, lease, pledge or mortgage of any property by or to such  
39 an issuer, and to any other action by such an issuer. He may execute  
40 and deliver any and all instruments in writing which he deems ad-  
41 visable to carry out any of his powers as custodian.

42 7. The custodian shall register each security which is custodial  
43 property and in registered form in the name of the custodian, fol-  
44 lowed, in substance by the words: "as custodian for .....  
45 (name of  
46 ..... under the Iowa Uniform Gifts to Minors Act". The cus-  
47 minor)  
48 todian shall hold all money which is custodial property in an account

49 with a broker or in a bank in the name of the custodian, followed, in  
 50 substance, by the words: "as custodian for ..... under  
 51 (name of minor)  
 52 the Iowa Uniform Gifts to Minors Act". The custodian shall keep all  
 53 other custodial property separate and distinct from his own property  
 54 in a manner to identify it clearly as custodial property.

55 8. The custodian shall keep records of all transactions with respect  
 56 to the custodial property and make them available for inspection at  
 57 reasonable intervals by a parent or legal representative of the minor  
 58 or by the minor, if he has attained the age of fourteen (14) years.

59 9. A custodian has, with respect to the custodial property, in addi-  
 60 tion to the rights and powers provided in this Act, all the rights and  
 61 powers which a guardian has with respect to property not held as  
 62 custodial property.

1 SEC. 5.

2 1. A custodian may act without compensation for his services.

3 2. Unless he is a donor, a custodian is entitled to reimbursement  
 4 from the custodial property for his reasonable expenses incurred in  
 5 the performance of his duties and may receive from the custodial  
 6 property reasonable compensation for his services determined by a  
 7 direction by the donor when the gift is made; or, if no such direc-  
 8 tion, by order of the court after submission by the custodian of an  
 9 itemized claim or report setting forth his services, from time to time,  
 10 as long as such custodian continues to serve.

11 3. Except as otherwise provided in this Act, a custodian shall not  
 12 be required to give a bond for the performance of his duties.

13 4. A custodian not compensated for his services is not liable for  
 14 losses to the custodial property unless they result from his bad faith,  
 15 intentional wrongdoing or gross negligence or from his failure to  
 16 maintain the standard of prudence in investing the custodial prop-  
 17 erty provided in this Act.

1 SEC. 6. No issuer, transfer agent, bank, broker or other person  
 2 acting on the instructions of or otherwise dealing with any person  
 3 purporting to act as a donor or in the capacity of a custodian is re-  
 4 sponsible for determining whether the person designated by the pur-  
 5 ported donor or purporting to act as a custodian has been duly desig-  
 6 nated or whether any purchase, sale or transfer to or by or any other  
 7 act of any person purporting to act in the capacity of custodian is in  
 8 accordance with or authorized by this Act, or is obliged to inquire  
 9 into the validity or propriety under this Act of any instrument or  
 10 instructions executed or given by a person purporting to act as a  
 11 donor or in the capacity of a custodian, or is bound to see to the appli-  
 12 cation by any person purporting to act in the capacity of a custodian  
 13 of any money or other property paid or delivered to him.

1 SEC. 7.

2 1. Only an adult member of the minor's family, a guardian of the  
 3 minor or a trust company is eligible to become successor custodian.  
 4 A successor custodian has all the rights, powers, duties and immuni-  
 5 ties of a custodian designated in a manner prescribed by this Act.

6 2. A custodian, other than the donor, may resign and designate his  
 7 successor by:

- 8 a. Executing an instrument of resignation designating the succes-  
 9 sor custodian; and
- 10 b. Causing each security which is custodial property and in regis-  
 11 tered form to be registered in the name of the successor custodian fol-  
 12 lowed, in substance, by the words: "as custodian for .....  
 13 (name of minor)  
 14 under the Iowa Uniform Gifts to Minors Act"; and
- 15 c. Delivering to the successor custodian the instrument of resigna-  
 16 tion, each security registered in the name of the successor custodian  
 17 and all other custodial property, together with any additional instru-  
 18 ments required for the transfer thereof.
- 19 3. A custodian, whether or not a donor, may petition the court for  
 20 permission to resign and for the designation of a successor custodian.
- 21 4. If the person designated as custodian is not eligible, renounces  
 22 or dies before the minor attains the age of twenty-one (21) years,  
 23 the guardian of the minor shall be successor custodian. If the minor  
 24 has no guardian, a donor, his legal representative, the legal repre-  
 25 sentative of the custodian, an adult member of the minor's family, or  
 26 the minor, if he has attained the age of fourteen (14) years, may  
 27 petition the court for the designation of a successor custodian.
- 28 5. A donor, the legal representative of a donor, an adult member  
 29 of the minor's family, a guardian of the minor or the minor, if he has  
 30 attained the age of fourteen (14) years, may petition the court that,  
 31 for cause shown in the petition, the custodian be removed and a suc-  
 32 cessor custodian be designated or, in the alternative, that the custo-  
 33 dian be required to give bond for the performance of his duties.
- 34 6. Upon the filing of a petition as provided in this section, the court  
 35 shall grant an order, directed to the custodian and all other interested  
 36 persons and returnable on such notice as the court may require, to  
 37 show cause why the relief prayed for in the petition should not be  
 38 granted and, in due course, grant such relief as the court finds to be  
 39 in the best interests of the minor.

1 SEC. 8.

- 2 1. The minor, if he has attained the age of fourteen (14) years, or  
 3 the legal representative of the minor, an adult member of the minor's  
 4 family, or a donor or his legal representative may petition the court  
 5 for an accounting by the custodian or his legal representative.
- 6 2. The court, in a proceeding under this Act or otherwise, may re-  
 7 quire or permit the custodian or his legal representative to account  
 8 and, if the custodian is removed, shall so require and order delivery  
 9 of all custodial property to the successor custodian and the execution  
 10 of all instruments required for the transfer thereof.

1 SEC. 9.

- 2 1. This Act shall be so construed as to effectuate its general pur-  
 3 pose to make uniform the law of those states which enact it.
- 4 2. This Act shall not be construed as providing an exclusive method  
 5 for making gifts to minors.

1 SEC. 10. This Act may be cited as the "Iowa Uniform Gifts to  
 2 Minors Act".

- 1 SEC. 11. If any provision of this Act or the application thereof to  
 2 any person or circumstances is held invalid, the invalidity shall not

3 affect other provisions or applications of the Act which can be given  
 4 effect without the invalid provision or application, and to this end the  
 5 provisions of this Act are severable.

1 SEC. 12. Section three (3) of chapter six hundred sixty-eight  
 2 (668), Code 1958, and all other laws of this state contrary to the  
 3 provisions of this Act, shall not apply to the custodial property of a  
 4 minor held by the custodian under this Act.

Approved April 17, 1959.

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## CHAPTER 343

### CEMETERY TRUST FUNDS

H. F. 232

AN ACT relating to the investment of cemetery trust funds.

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

1 SECTION 1. Section five hundred sixty-six point five (566.5), Code  
 2 1958, and section five hundred sixty-six point six (566.6), Code 1958,  
 3 are hereby repealed and the following enacted in lieu thereof:  
 4 "Any such trustee shall have authority to receive and invest all  
 5 moneys and property, so donated or bequeathed, and that portion of  
 6 cemetery lot sales and permanent charges made against cemetery lots  
 7 which has been set aside in a perpetual care fund, in such authorized  
 8 investments and in the manner prescribed in section six hundred  
 9 eighty-two point twenty-three (682.23) of the Code, or as the same  
 10 may be hereafter amended.

1 SEC. 2. Section five hundred sixty-six point fifteen (566.15), Code  
 2 1958, is hereby amended by striking from lines nine (9), ten (10) and  
 3 and eleven (11) the words, "as are now set forth in section 511.8,  
 4 except subsections 9 to 13, inclusive," and by inserting in lieu thereof  
 5 the words, "and in the manner prescribed in section six hundred  
 6 eighty-two point twenty-three (682.23) of the Code,".

Approved April 23, 1959.

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## CHAPTER 344

### CLAIMS AGAINST HIGHWAY CONTRACTORS

H. F. 708

AN ACT to amend section five hundred seventy-three point eight (573.8), Code 1958, relating to filing of claims against contractors on highway work.

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

1 SECTION 1. Section five hundred seventy-three point eight (573.8),  
 2 Code 1958, is hereby amended by inserting the following sentence fol-  
 3 lowing the period after the word "contract" in line four (4): "In  
 4 case of contracts for improvements on the farm-to-market highway