

February 22, 1963.  
Placed on Calendar.

**House File 321**  
By COMMITTEE ON INSURANCE.

Passed House, Date 2-28-63

Passed Senate, Date 4-9-63

Vote: Ayes 39 Nays 0

Vote: Ayes 48 Nays 0

Approved 4-15-63

*Passed on file 3/11  
Insurable 3/12  
Pass 4/3*

## A BILL FOR

An Act relating to registration exemptions under the Iowa Securities Law.

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

- 1 Section 1. Section five hundred two point four (502.4), Code
- 2 1962, is hereby amended as follows:
- 3 1. By striking from line three (3) of subsection four (4)
- 4 the word "benevolent,".
- 5 2. By striking from line three (3) of subsection four (4)
- 6 the word "charitable,".

### EXPLANATION OF HOUSE FILE 321

This bill would remove corporations labeled "charitable" or "benevolent" from provisions of this exemption from securities registration.

The commissioner of insurance has found it difficult to administer this exemption from registration in that the words "benevolent" and "charitable" are extremely general in meaning. There is reason to believe that certain promoters have used the shelter of this exemption to organize promotional ventures which they designate "charitable" or "benevolent" in order to avoid the regulatory provisions of chapter 502.