

*Withdrawn 2/22*

January 17, 1963.  
Passed on File.  
*Inureau, 1/17*

**Senate File 16**

By NOLAN, LONG, FROMMELT, SCHROEDER,  
O'MALLEY, VANCE and HANSEN.

Passed Senate, Date..... Passed House, Date.....  
Vote: Ayes..... Nays..... Vote: Ayes..... Nays.....  
Approved.....

**A BILL FOR**

An Act relating to subsidiary companies of life insurance companies.

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

1 Chapter five hundred eight (508), Code 1962, is hereby amended by adding  
2 thereto the following new sections:

1 Section 1. Any life insurance company incorporated  
2 in this state may organize, or acquire by purchase, in  
3 whole or in part subsidiary insurance and investment com-  
4 panies in which it owns not less than fifty-one percent  
5 (51%) of the common stock, and notwithstanding any pro-  
6 visions of the Code inconsistent herewith may (1) invest  
7 funds from surplus for such purpose, (2) make loans to such  
8 subsidiaries, and (3) permit all or part of its officers  
9 and directors to serve as officers or directors of such  
10 subsidiary companies.

1 Sec. 2. Any subsidiary company shall be a separate  
2 and distinct company, with neither the organizing or  
3 acquiring life company or such subsidiary having any  
4 liability to the creditors, policyholders or stockholders.  
5 if any, of the other. The organizing or acquiring company  
6 may be either a mutual or stock company.

1 Sec. 3. Any such subsidiary company organized by  
2 any such life insurance company shall comply with all

3 the laws of the state of its incorporation pertaining  
4 to the organization and qualification to do business  
5 of its class or kind, and if incorporated outside of  
6 the state of Iowa shall be admitted to do business in  
7 this state only upon qualification under the laws of  
8 the state of Iowa relating to such foreign corpora-  
9 tions.