## THE

# STATUTES AT LARGE

### OF THE

# STATE OF MINNESOTA

COMPRISING

## THE GENERAL STATUTES OF 1866

As amended by subsequent Legislation to the close of the Session of 1873

TOGETHER WITH

ALL LAWS OF A GENERAL NATURE IN FORCE, MARCH 7, A.D. 1873

WITH REFERENCES TO ...

JUDICIAL DECISIONS OF THE STATE OF MINNESOTA, AND OF OTHER STATES WHOSE STATUTES ARE SIMILAR

TO WHICH ARE PREFIXED

THE CONSTITUTION OF THE UNITED STATES, THE ORGANIC ACT, THE ACT AUTHORIZING A STATE GOVERNMENT, AND THE CONSTITUTION OF THE STATE OF MINNESOTA

## VOL. I.

COMPILED AND ARRANGED BY A. H. BISSELL ATTORNEY-AT-LAW

# CHICAGO

CALLAGHAN AND COMPANY

OF THE STATE OF MINNESOTA.

## CHAPTER XXXVIII.

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## TITLE I.

## OF BILLS, NOTES, AND INTEREST OF MONEY."

· (This Title is Chapter XXIII. of the Statutes of 1866.)

#### INTEREST OF MONEY.

Rate of interest.—Interest for any legal indebtedness shall be at the SECTION 1. rate of seven dollars upon one hundred dollars for a year, unless a different rate is contracted for in writing, and all contracts shall bear the same rate of interest after they become due as before, if it clearly appears therefrom that such was the intention of the parties; but no contract for a greater rate of interest than 'twelve dollars upon one hundred dollars for a year, shall be valid for the excess of interest over twelve per cent.

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SEC. 2. Bond to be negotiable .- Bonds and other obligations under seal for the payment of money, payable to the bearer, or some person designated or bearer, or

What rate of interest a contract draws after due, 16 Wis. 178, 541; 18 Wis. 367; 20 Wis. 680; 19 Wis. 533. There is no presumption that the usury laws of another state are the same as our own,

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23 Wis. 383. Under a counter-claim for money had and received by the plaintiff for defendant's use, the defendant cannot *prove* the payment of usurious interest, but he must allege specifically the facts showing the usury, 23 Wis. 184. Defense of usury must be satisfactorily proven, 21 Wis. 320.

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Usurious contracts are not absolutely void, but only so at the option of the borrower and those in privity with him, 16 Wis. 666. When an intention of other parties to commit usury does not affect a party who, in good faith, purchases a note for less than its face, 14 Wis. 571. Usury between inderser and indersee will not affect its validity as against drawer or maker, 3 Wis. 725. A contract void for usury, cannot be made valid by a subsequent law, 18 Wis. 298. The taking of a usurious note does not discharge or satisfy a valid pre-existing indebtedness for which such note is taken, 16 Wis. 319; 14 Wis. 39.

In defending on the ground of usury, no tender of the principal due is necessary under the present law, 4 Wis. 362; 10 Wis. 128; 11 Wis. 90. When usurious interest paid may be recovered back, 13 Wis. 549; 12 Wis. 453; 14 Wis. 39; 13 Wis. 84; 19 Wis. 249; 17 Wis. 383; 13 Wis. 216; 20 Wis. 403, 320. Who may set up the defense of usury, 10 Wis. 333; 22 Wis. 147; 21 Wis. 239. When compound interest may be recovered, 12 Wis. 453; 20 Wis. 50. In what cases interest may be recovered, 13 Wis. 606; 8 Wis. 392; 15 Wis. 40, 594; 20 Wis. 497; 20 Wis. 602.

Requisites of note, Easton v. Hyde, 13 Minn. 90. What a negotiable instrument, Helfer v. Alden, 3 Minn. 332; Regents of Minn. Univ. v. Hart, 7 Minn. 61; Butler v. Paine, 8 Minn. 324; 7 Wis. 532; 10 Wis. 34; 18 Wis. 481. Of the liability of maker, Pierse v. Irvine, 1 Minn. 377; Marienthal et al. v. Taylor, 2 Minn. 149; McComb v. Thompson, et. 146; Sanborn v. Neal, 4 Minn. 126; Robinson v. Bartlett, 11 Minn. 410; Bingham v. Stewart, 13 Minn. 106; Lamberton v. Windom, 18 Minn. 506. Liability of indorser, Folsom v. Carli, 5 Minn. 333; Swift v. Fletcher, 6 Minn. 550; 2 Wis. 524; 3 Wis. 725; 7 Wis. 476; 9 Wis. 516; 10 Wis. 290; 12 Wis. 639; 13 Wis. 227; 18 Wis. 554.

Of indorsement, Turrell v. Morgan, 7 Minn. 368; State v. Monnier, 8 Minn. 212. Effect of indorsement after due, Moore v. Folsom, imp. 14 Minn. 340. What amounts to contract of, Rogers v. Stevenson, 16 Minn. 68. Title how transferable, Ninninger v. Bauning, 7 Minn. 274; Tulles v. Fridley, 9 Minn. 79; 6 Wis. 422; 16 Wis. 616; 17 Wis. 61, 297. Who may transfer, 7 Wis. 620; 8 Wis. 252; 9 Wis. 503; 16 Wis. 478, 679; 20 Wis. 32. Presumption as to time of indorsement, 5 Wis. 107; 7 Wis. 609. Transfer of note carries with it, what, 12 Wis. 179.

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Of acceptance, Heenan v. Nash, 8 Minn. 407.

Of protest, Marshall v. Baker, 3 Minn. 320; Levering v. Washington, ib. 323; Michaud v. Laycorde, 4 Minn. 43; Kern v. Paul, 7 Minn. 426; 7 Wis. 161; 13 Wis. 504; 14 Wis. 408; 15 Wis. 253; 16 Wis. 679; 17 Wis. 151; 19 Wis. 390. Effect of protest as evidence, 1 Wis. 264; 2 Wis. 252; 8 Wis. 252; 11 Wis. 56. Of bona fide holders, Becker v. Sandusky City Bank, 1 Minn. 319; Pease v. Rush, 2 Minn. 42; Stevenson v. Heyland, 11 Minn. 198; Cummings v. Thompson, 18 Minn. 246; 1 Wis. 436; 5 Wis. 107; 9 Wis. 503; 3 Chand. 83; 12 Wis. 611; 13 Wis. 375; 11 Wis. 334; 16 Wis. 616; 15 Wis. 50, 260; 17 Wis. 61, 297; 18 Wis. 615. Of presumption arising from posses-

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SEC. 3 (AS AMENDED BY ACT OF FEBRUARY 25, 1871). Bills and notes, when falling due in certain cases.—Bills of exchange, drafts, promissory notes, and contracts due or payable, or to be executed on Sunday, Thanksgiving Day, Good Friday, Christmas Day, New Year's Day, the twenty-second day of February, the fourth day of July, or on the following day, when either of the four days last mentioned occurs on Sunday, shall be payable or performable upon the business day next preceding said days, and in case of non-payment or non-fulfillment, shall be noted and protested upon such preceding day, but notice of the dishonor, nonpayment, or non-fulfillment, need not be given until the business day next following the days above specified.

S. L. 1871, 99. Vide also S. L. 1869, 103.

SEC. 4. When demand necessary to charge indorsers of notes on demand.—Upon a promissory note payable on demand, a demand made at the expiration of sixty days from the date thereof without grace, or at any time within that term, shall be deemed to be made within a reasonable time; and any act, neglect, or other thing which, by the rules of law and the customs of merchants is deemed equivalent to a presentment and demand on a note payable at a fixed time, or which would dispense with such presentment and demand, if it occurs at or within said term of sixty days, shall be deemed a dishonor thereof, and shall authorize the holder of such note to give notice of the dishonor to the indorser as upon a presentment to the promissor and his refusal or neglect to pay the same. No presentment of such note to the promissor and demand of payment shall charge the indorser unless made on or before the last day of said term of sixty days.

SEC. 5. Liability of indorsers of notes on demand.—The several indorsers of promissory notes payable on demand, upon due and reasonable notice of the dis-

sion, Woodbury v. Larned, 5 Minn. 339; Van Eman v. Stanchfield, 10 Minn. 255; 13 Minn. 75; Hayward v. Grant, 13 Minn. 165. Non-delivery or want of consideration a defence, Ruggles v. Swanwick, 6 Minn. 526; Walters v. Armstrong, 5 Minn. 448; Whitacre v. Calder, 9 Minn. 295.

When cancellation of note procured by fraud, the payee thereof may still bring suit upon the same, 18 Wis. 481; 14 Wis. 277. Guarantor cannot be joined as defendant with maker, 5 Wis. 14. When person signing as surety will be held as a joint maker, 7 Wis. 523. What alteration of note after delivery will render it void, 17 Wis. 232.

Note given for policy of insurance which plaintiff had no authority to issue, Rochester Ins. Co. v. Martin, 13 Minn. 59.

Maker of note not a creditor of payee, cannot defend in an action by the endorsee, on the ground that it was transferred to the plaintiff without consideration, and in fraud of the rights of the payee's creditors, 21 Wis. 149. A note taken in extinguishment of an antecedent debtedness is protected as a *bona fide* holder, 23 Wis. 21. What delay in presenting for payment of sight draft will discharge the drawer, 23 Wis. 334. Judgment cannot be entered upon a note, under a warrant of attorney to confess judgment, after the expiration of six years after it is due, 23 Wis. 393. Who not a *bona fide* holder for value, 22 Wis. 473.

Material erasures or interlineations must be explained or the note will be considered void, 5 Wis. 534. When a cotemporaneous agreement may be set up as a defence to note, 6 Wis. 68; 16 Wis. 562. Failure of or want of consideration, when a defence, 14 Wis. 1, 461; 9 Wis. 503; 11. Wis. 353; 18 Wis. 441. Pendency of garnishee proceeding no defence, 7 Wis. 609; 2 Chand. 123; 3 Wis. 300; 11 Wis. 50; 7 Wis. 306. Note given to compound felony, defence how plead, 9 Wis. 476. Indorsee discharged by extension of time to other parties, 12 Wis. 466. Payment of amount due on note to sheriff, when a defence, 12 Wis. 373.

Equities between original parties do not bind endorsee, Becker v. Sandusky Bank, 1 Minn. 318. What operates as payment on a mortgage note, Goenen v. Schroeder, 18 Minn. 66. What no defence, Lough v. Bragg et al., 18 Minn. 121. A revenue stamp no part of a note, Owsley v. Greenwood, 18 Minn. 429.

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honor of such notes, shall be liable in the same manner and to the same effect as upon the dishonor of promissory notes payable at a fixed time, and not otherwise.

SEC. 6. Acceptance to be in writing.—No person within this state shall be charged as an acceptor on a bill of exchange, unless his acceptance is in writing, signed by himself or his duly authorized agent.

Heenan v. Nash, 8 Minn. 407.

SEC. 7. Rate, of damages on foreign bills.—Whenever any bill of exchange, drawn, or indorsed within this state, and payable without the limits of the United States, is duly protested for non-acceptance, or non-payment, the party liable for the contents of such bill, shall, on due notice and demand thereof, pay the same at the current rate of exchange at the time of the demand, and damages at the rate of ten per cent. upon the contents thereof, together with interest on the said contents, to be computed from the date of the protest; and said amount of contents, damages, and interest shall be in full of all damages, charges, and expenses.

SEC. 8. Rate of damages on inland bills.—If any bill of exchange, drawn upon any person, or body politic or corporate, out of this state, but within the United States, for the payment of money, is duly presented for acceptance or payment, and protested for non-acceptance or non-payment, the drawer or indorser thereof, due notice being given of such non-acceptance or non-payment, shall pay said bill, with legal interest, according to its tenor, and five per cent. damages, together with costs and charges of protest.

SEC. 9. Promissory notes payable to maker, etc., effect of.—Promissory notes, made payable to the order of the maker thereof, or to the order of a fictitious person, shall, if negotiated by the maker, have the same effect, and be of the same validity, as against the maker, and all persons having knowledge of the facts, as if payable to bearer.

SEC. 10. Days of grace.—On all bills of exchange, payable at sight, or at a future day certain, within this state, and on all negotiable promissory notes, orders, and drafts, payable at a future day certain, within this state, in which there is not an express stipulation to the contrary, grace shall be allowed in like manner as it is allowed by the custom of merchants on foreign bills of exchange, payable at the expiration of a certain period after date, on sight.

SEC. 11. *Exemption.*—The provisions of the preceding section shall not extend to any bill of exchange, note, or draft, payable on demand.

## TITLE II.

#### OF CHATTEL MORTGAGES.\*

#### (This Title is Chapter XXXIX. of the Statutes of 1866.)

SEC. 12 (1). Chattel mortgage void, when.—Every mortgage on personal property, which is not accompanied by an immediate delivery, and followed by an

\* A mortgagee in possession, or having the right to the immediate possession, may maintain an action, against an officer who takes the property to satisfy an execution against the mortgagor, and no previous demand for the return of the property is necessary, 3 Wis. 221; 10 Wis. 415; 6 Wis. 629; 12 Wis. 243; 11 Wis. 375; 15 Wis. 292. How interest of mortgagor in mortgaged

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actual and continued change of possession of the things mortgaged, shall be absolutely void as against the creditors of the mortgagor, and as against subsequent purchasers and mortgagees in good faith, unless it appears that such mortgage was executed in good faith, and not for the purpose of defrauding any creditor, and unless the mortgage or a true copy thereof is filed as hereinafter provided.

Chophard et al., v. Bayard et al., 4 Minn. 533; Lienan v. Moran et al., 5 Minn. 482; Eddy et al. v. Caldwell, 7 Minn. 225; Barker v. Kelderhouse, 8 Minn. 207. 8 Wis. 236; 12 Wis. 243; 13 Wis. 498; 22 Wis. 132; 23 Wis. 541.

SEC. 13 (2). Shall be filed, where.—Every such instrument shall be filed in the town or city where the property mortgaged is at the time of the execution of such mortgage, and a copy thereof filed in the town or city where the mortgagor, if a resident of this state, resides at the time of the execution thereof. In each town, such instrument shall be filed in the office of the town clerk thereof; and in the several cities, in the office of the recorder, clerk, or other officer in whose custody the records of the city are kept, and each of the officers hereinbefore named, shall file all such instruments, when presented for that purpose, indorse thereon the time of reception, the number thereof, and shall enter in a suitable book to be provided by him, at the expense of the town or city, with an alphabetical index thereto, under the head of mortgagors and mortgagees respectively, the names of each party to such instrument, and in separate columns opposite to such names the number of the instrument, the date, the amount secured thereby, when due, and the date of filing the same. Such instrument or copy shall remain on file for the inspection of all persons interested.

SEC. 14 (3, AS AMENDED BY ACT OF MARCH 5, 1870). Effect of mortgage when filed.—Every mortgage filed in pursuance of this title (chapter) shall be held and considered to be full and sufficient notice to all parties interested of the existence and conditions thereof, but shall cease to be notice as against the creditors of the mortgagor and subsequent purchasers and mortgagees in good faith, after the expiration of two years from the filing thereof: provided, that no mortgage of goods or chattels shall be notice of any fact as against the creditors of the mortgagor or subsequent purchasers or mortgagees in good faith, unless the same is acknowledged before some officer authorized to take acknowledgment of deeds.

S. L. 1870, 120. Vide also S. L. 1871, 108. Foster v. Berkey, 8 Minn. 351.

property must be levied and sold on execution against him, 6 Wis. 629; 11 Wis. 378; 15 Wis. 292.

Mortgagor has a right to the surplus after paying mortgagee, debt, and costs, on the sale of mortgaged property, 12 Wis. 410; 13 Wis. 514. When sale fairly made mortgagee is held to account only for the amount received on sale, 3 Wis. 514. A mortgage of exempt property cannot be fraudulent as to creditors, 1 Chand. 40; 11 Wis. 114. What sufficient proof of good faith under ch. 458, Laws 1864, 22 Wis. 132. If the circumstances existing at the time the mortgage was given, shows that it was fraudulent as to the creditors of the mortgagor, a subsequent delivery of possession by mortgagor to the mortgagee good as against the creditors.

A mortgage which gives a totally false description of the note intended to be secured, will not justify a scizure of the mortgaged property by the mortgagee without first reforming the mortgage, and that cannot be done except by instituting affirmative proceedings for that purpose, 15 Wis. 601. When two or more mortgages are made at the same time on the same property but to different persons, such mortgagees become tenants in common of the mortgaged property, 12 Wis. 243; 13 Wis. 172. A second mortgage of chattels, who is entitled to the possession of the property, is entitled to the immediate possession as against all persons, except the prior mortgagee, and can maintain an action in his own name for any taking which is not in pursuance of the first mortgage, 13 Wis. 172; 19 Wis. 106. Collusion at a sale of mortgaged property between the mortgage and the purchaser renders sale void, 6 Wis. 616.

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SEC. 15 (4.) Copy of mortgage may be evidence.—A copy of any such mortgage, or copy, filed and indorsed as aforesaid, together with any statement made in pursuance of this title (chapter), when certified by the clerk or other proper officer to be a true copy of the original on file in his office, shall be received in evidence in like manner and with like effect as the original mortgage, or copy filed and indorsement.

SEC. 16 (5). Redemption of property mortgaged.—When the condition of a mortgage of personal property is broken, the mortgagor, or any person lawfully claiming or holding under him, may redeem the same at any time before the property is sold, in pursuance of the contract between the parties, or the right of redemption is foreclosed as hereinafter provided.

SEC. 17 (6). Redemption, how made.—The person entitled to redeem shall pay or tender to the mortgagee, or person holding under him, the sum due on the mortgage, or offer performance of the thing to be done, and shall pay all reasonable and lawful charges and expenses incurred in the care and custody of the property, or otherwise arising from the mortgage; and if, upon such payment or performance or tender thereof, the property is not forthwith restored, the person entitled to redeem may recover it in a civil action, with such damages as he may have sustained by the withholding thereof.

SEC. 18 (7). Mortgage, how foreclosed.—The mortgagee or his assigns, after condition broken, may give to the mortgagor, or the person in possession of the property claiming the same, written notice of his intention to foreclose the mortgage for breach of the condition thereof, which notice shall be served by leaving a copy with the mortgagor or a person in possession of the property claiming the same, or by publishing it at least once a week for three successive weeks in a newspaper printed and published in the county or city where the mortgage is properly recorded, or where the property is situated, or if there is no such paper, in a newspaper printed and published at the capital of the state : provided, that nothing in this title (chapter) contained shall deprive the mortgagee of his remedy by sale, in cases where such sale is authorized by the mortgage.

SEC. 19 (8). Notice and proof of service to be filed.—The notice with an affidavit of service shall be filed wherever the mortgage is filed, and when so filed, the same or a copy thereof shall be admitted as evidence of the giving of such notice.

SEC. 20 (9). Foreclosure complete in sixty days if no redemption is made.— If the money to be paid, or other thing to be done, is not paid or performed, or tender thereof made within sixty days after such notice is so filed, the right to redeem shall be foreclosed.

SEC. 21 (10, ADDED BY ACT OF FEBRUARY 10, 1872). Chattel mortgages, how discharged of record.—Whenever any mortgage filed under the provisions of this title (chapter) has been paid, or the conditions thereof satisfied, the mortgagee or his assignee or personal representatives shall give to the mortgagor, his assignee or personal representatives, a certificate in writing under his hand, stating the date of the mortgage and a description of the property thereby mortgaged, and that the same has been discharged in full, and on delivering said certificate in writing to the officer with whom such mortgage is filed, the said officer shall deliver said mortgage to the person producing said certificate on payment of the sum of ten cents for filing said certificate, and shall file said certificate in his office, indorsing thereon

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the name of the county, town (or city or village), and the true date of filing the same, and shall keep and preserve said certificate among the records in his office, and shall write the word "satisfied" with the date opposite to such mortgage in the book in which such mortgages are entered.

S. L. 1872, 129. In connection with this chapter vide Edson v. Newell, 14 Minn. 228; Cogley v. Cushman, 16 Minn. 397. 13 Wis. 629; 23 Wis. 136, 359.

SEC. 22.

### AN ACT

TO PROVIDE FOR FILING CERTAIN NOTES OR OTHER EVIDENCE OF INDEBTEDNESS OR CONTRACTS IN THE OFFICE OF TOWN CLERKS.

## Be it enacted by the Legislature of the State of Minnesota :

Sec. 1. Notes or other evidences of indebtedness for property whereof the title is to remain in the vendor are void, when.—Every note of hand or other evidence of indebtedness or contract, the conditions of which are that the title or ownership to the property for which said note or other evidence of indebtedness or contract is given, remains in the vendor, shall be absolutely void as against the creditors of the vendee, and as against subsequent purchasers and mortgagees in good faith, unless the note or other evidence of indebtedness or contract or true copies thereof, or if said contract be oral, then a memorandum expressing the terms and conditions thereof, be filed as hereinafter provided.

Sec. 2. How and where such notes must be filed.—Every such note or other evidence of indebtedness or contract shall be filed in the town or city where the vendee resides at the time of the making thereof, in the office of the town clerk thereof, and in the several cities in the office of the recorder, clerk, or other officer in whose custody the records are kept, and each of the officers hereinbefore named shall file all such instruments when presented for that purpose, indorse thereon the time of reception, the number thereof, and shall enter in a suitable book to be provided by him, at the expense of the town or city, with an alphabetical index thereto, under the head of vendor and vendee respectively, the names of each party to such instrument, and in separate columns opposite to such names the number of the instrument, the date, the amount thereof, when due, and the date of filing the same. Such instrument, or a copy thereof, shall remain on file for the inspection of all persons interested.

Sec. 3. Force and effect of such notes so filed.—Every note or other evidence of indebtedness or contract filed in pursuance of this chapter shall be held and considered to be full and sufficient notice to all parties interested, of the existence and conditions thereof; but shall cease to be notice as against the creditors of the vendee, and subsequent purchasers and mortgagees in good faith, after the expiration of one year from the day on which such note or other evidence of indebtedness or contract became due.

Sec. 4. Copies of such notes, effect of as evidence.—A copy of any such note or other evidence of indebtedness or contract, or copy, filed and indorsed as aforesaid, together with any statement made in pursuance of this act, when certified by the clerk or other proper officer, to be a true copy of the original on file in his office, shall be seen in evidence in like manner and with like effect, as the original instrument or copy filed and indorsed.

Sec. 5. Such notes when paid, how withdrawn from file.--Whenever any note or

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other evidence of indebtedness or contract filed under the provisions of this act has been paid, or the conditions thereof satisfied, the vendor or his assignee or personal representatives shall give to the vendee or his assignee or personal representatives a certificate in writing under his hand, stating the date of the instrument, and that the same has been paid, and discharged in full, and on delivering said certificate in writing to the officer with whom such instrument is filed, the said officer shall deliver said instrument to the person producing said certificate, and shall file said certificate in his office, indorsing thereon the name of the county, town (or city or village), and the true date of filing the same, and shall write the word "satisfied" with the date opposite to such instrument, in the book in which such instruments are entered.

Sec. 6. Fees of officers for filing same.—The town clerk, and the recorder, clerk, or other officer of any city or village in whose custody the records of such village or city are kept, shall receive the sum of ten cents for filing every note, contract, or other evidence of indebtedness, to be paid by the party presenting the same for filing, and the sum of ten cents for filing every certificate of discharge, to be paid by the party presenting the same for filing, which fee must be paid before such instruments or certificates shall be entitled to record.

Sec. 7. This act shall take effect and be in force from and after its passage. Approved March 10, 1873. S. L. 1873, 185.