

89022

# GENERAL STATUTES OF MINNESOTA

## SUPPLEMENT 1917

CONTAINING THE AMENDMENTS TO THE GENERAL STATUTES  
AND OTHER LAWS OF A GENERAL AND PERMANENT  
NATURE, ENACTED BY THE LEGISLATURE  
IN 1915, 1916, AND 1917

WITH NOTES OF ALL APPLICABLE DECISIONS

COMPILED BY

FRANCIS B. TIFFANY



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1918

out of the treasury of his county, a fee according to the population of his county as shown by the 1910 national census of the United States of America, which fee shall be as follows:

In counties having a population of 50,000 or less, \$10.00.

In counties having a population exceeding 50,000 and not more than 100,000, a fee of \$25.00.

In counties having a population exceeding 100,000 and not more than 150,000, a fee of \$50.00.

In counties having a population exceeding 150,000 and not more than 200,000, a fee of \$100.00.

In counties having a population exceeding 200,000 and not more than 300,000, a fee of \$125.00.

In counties having a population exceeding 300,000 a fee of \$200.00. ('15 c. 364 § 6)

[6993—]7. Same—Not applicable to certain cities and counties—This act shall not apply to cities of the first class, nor to counties wherein the salary of the register of deeds is fixed by special law. ('15 c. 364 § 7)

### SEED GRAIN CONTRACTS

6995. Filing.—Duration of lien—To preserve said lien, the person furnishing seed as aforesaid, within thirty days after the execution of such note or contract, shall file the same, or a copy thereof, with the register of deeds of the county in which the land upon which the crop is to be grown is situated. Thereupon the lien shall continue for the term of one year from the date of filing, upon the crop growing or grown from such seed, to the amount and according to the terms of the agreement, against the owner and all creditors and purchasers. It shall not be affected by any exemption law, and shall take precedence of all other liens and be notice of its existence to all persons. (Amended '15 c. 191 § 1)

## CHAPTER 68

### FRAUDS

#### STATUTE OF FRAUDS

##### 6998. No action on agreement, when—

**In general**—No distinction should be made in the interpretation of this section and § 6999, because one reads "no action shall be maintained," and the other "every contract \* \* \* shall be void," unless evidenced by writing, etc. (162+1082). Frauds, Statute of, ☞121.

The statute is not a mere rule of evidence, but precludes the substantive right of action upon the oral contract (128-468, 151+195). Frauds, Statute of, ☞125(1).

**Subd. 1**—128-468, 151+195; note under § 7003.

An oral contract of partnership, actually performed within a year, is not within the statute (129-252, 152+538). Frauds, Statute of, ☞139(1).

A contract attached to a certificate of stock, reciting the purchase of the stock and the payment of the price, and stipulating that the vendors agree to pay a percentage of the price annually for five years, sufficiently expresses the consideration on the face of the agreement, and is not invalid under the first subdivision of this section (135-235, 160+765). Frauds, Statute of, ☞108(1).

**Subd. 2**—Where defendant in a personal injury case effected a settlement by agreeing to pay plaintiff a specified amount, and another amount to the physician who treated plaintiff, the promise to pay the physician was an original undertaking, and not within this section (126-251, 148+104). Frauds, Statute of, ☞33(1).

An agreement by a purchaser to pay a debt of the seller as part of the price is not invalid under the statute because no consideration is expressed therein (128-490, 151+203). Frauds, Statute of, ☞18(3).

A contract attached to and delivered with a certificate of stock, reciting the purchase of the stock and the payment of the price, and stipulating that the vendors agree to pay a percentage of the price annually for five years, sufficiently expresses the consideration on the face

of the agreement, and is not invalid as violative of subdivision 2 of this section (135-235, 160+765). Frauds, Statute of, [↔](#)108(1).

6999, 7000. [Superseded.]

See note under § [6015-]4.

**6999**—An order for the manufacture of goods for delivery in the future is not within the statute, and void because not in writing (130-304, 153+613). Frauds, Statute of, [↔](#)83.

A subsequent delivery and acceptance of part of the goods under a parol contract of sale satisfies the statute of frauds (130-151, 153+316). Frauds, Statute of, [↔](#)90(4).

**7002. Conveyance, etc., of land—**

Cited (128-468, 151+195).

A deed in writing and under seal, made by one partner in behalf of the firm, may be ratified by the other partner by parol (129-481, 152+879). Partnership, [↔](#)157(3).

An easement may be extinguished or modified by parol agreement fully executed (127-313, 149+652). Easements, [↔](#)29.

**7003. Leases—Contracts for sale of lands—**

135-25, 159+1091.

Cited (162+1082).

**In general**—A parol agreement to execute a lease to real property to extend for a longer period than one year is unenforceable (128-468, 151+195). Frauds, Statute of, [↔](#)126.

An oral agreement for the purchase of land is void, and where the purchaser does not take possession or make improvements, he obtains no rights in the land, though he pays the purchase price (135-449, 161+155). Frauds, Statute of, [↔](#)129(5).

**Contracts creating partnership or joint adventures**—A contract relating to land held to create a partnership or joint adventure, and not to involve a sale of an interest in land within the statute (127-15, 148+476). Frauds, Statute of, [↔](#)76.

An agreement to procure an option on a mine, and to transfer the mine to a corporation to be formed by the parties to the agreement, the stock of which was to be distributed between them, was a partnership agreement or a joint adventure, and was not within the statute of frauds (130-450, 153+874). Frauds, Statute of, [↔](#)56(8, 9), 129; Joint Adventures, [↔](#)1; Partnership, [↔](#)20.

**Verbal extension of lease**—A verbal agreement to extend the term of a lease for one year, to commence at a future date, is within the statute (134-68, 158+808). Frauds, Statute of, [↔](#)53.

**Part performance of lease**—Part performance includes taking possession under the alleged lease, and payment in reliance on such contract. Evidence held not to show clearly the lease and part performance thereof (122-123, 142+18). Specific Performance, [↔](#)119.

**Estoppel**—Estoppel to urge statute in avoidance of parol agreement to execute lease (128-468, 151+195). Frauds, Statute of, [↔](#)144.

**Agreement to deal on the basis of a rejected offer**—An agreement to deal on the basis of a rejected offer to sell land must be in writing (123-409, 143+1127, L. R. A. 1915D, 150). Frauds, Statute of, [↔](#)103(1), 118(1).

**Memorandum**—Under this section only the vendor need sign the contract, and he may enforce it against the vendee, if the latter accepts it (125-81, 145+791). Frauds, Statute of, [↔](#)115(4).

The contract must describe the lands sold with reasonable certainty, but such description may be by reference to another writing (125-81, 145+791). Frauds, Statute of, [↔](#)118(2, 5).

To establish a contract for the sale of real property by correspondence, there must be a definite offer in writing and an unqualified acceptance in writing (162+1072). Vendor and Purchaser, [↔](#)28.

**Authority of agent**—An undisclosed principal may enforce specific performance of a contract to sell real estate made by an agent in his own name, though the agent was not authorized in writing to make the sale, and though the principal is unknown to the vendee; and if the contract calls for a warranty deed, he is entitled to the warranty of the party who executed the contract, and if this is offered him the real principal may demand that he pay the purchase price (135-127, 160+251). Specific Performance, [↔](#)17.

**7004. Specific performance—**

128-150, 150+622.

**In general**—Evidence held insufficient to establish the existence of an alleged oral contract to convey land (125-49, 145+615). Specific Performance, [↔](#)121(3, 4).

Contract held subject to specific performance (125-81, 145+791). Specific Performance, [↔](#)32(3).

An answer in ejectment, alleging that defendant entered into an agreement with plaintiff's grantor, whereby the latter agreed to give and convey land to defendant, if the latter would support such grantor for the remainder of his life, and that in pursuance of such agreement defendant moved onto the land, made improvements thereon, paid the taxes, and offered to support grantor who removed from the land, and asking for specific performance or such other relief as might be just, did not state a cause of action for specific performance of an oral contract partly performed, or for alternative relief by adjudication of a lien (134-321, 159+752). Frauds, Statute of, [↔](#)142, 149; Specific Performance, [↔](#)28(2).

If a contract to bequeath is definite, and plaintiff has performed, and a peculiar and domes-

tic relation has been assumed under which services, incapable of pecuniary valuation, has been rendered, specific performance will be decreed (124-114, 144+744). Specific Performance, [§86](#).

The doctrine of specific performance rests upon the theory that one party has estopped himself from invoking the statute by permitting the other party to change his situation in reliance upon the contract to such an extent that the enforcement of the statute would operate as a fraud upon him, and where such change of position does not appear the statute operates (132-86, 155+1054). Specific Performance, [§39](#), [41](#).

**Verbal gifts of land**—Evidence held to establish a parol gift of land, and acceptance by the donee, accompanied with the taking of possession and the construction of valuable improvements in reliance on the gift, so that the transfer was taken out of the statute of frauds (135-368, 160+1031). Frauds, Statute of, [§158\(4\)](#).

A verbal gift of land, to be valid, must be executed by delivery of possession, acceptance of the gift, and performance of such acts in reliance thereon as would work a substantial injustice to hold the gift void, such as the bestowal of personal services impossible of estimation in money, or against collection of which the statute of limitations has run, or the making of permanent improvements on the land (130-368, 153+754). Frauds, Statute of, [§129\(11\)](#).

In ejectment, the defense of a parol gift of the land, which was accepted and executed, is proper, though such a defense is usually litigated in an action for specific performance. Adverse possession of land for the statutory time is not necessary to prove an executed parol gift, it being sufficient that the gift is accepted and that valuable improvements are made in reliance upon it, and whether the gift is executed is a question of fact for the jury (126-389, 148+125). Frauds, Statute of, [§129\(1\)](#), [159](#); Gifts, [§25](#).

**Part performance**—Evidence of performance (see 132-106, 155+1071). Frauds, Statute of, [§158\(4\)](#).

The doctrine of part performance rests on the ground that to deny the force and effect of the contract would work a virtual fraud (130-368, 153+754). Frauds, Statute of, [§129\(1\)](#).

The oral contract, sought to be enforced on the ground of partial performance, must be clearly proved, and its terms must be so clear and distinct as to leave no reasonable doubt of its meaning (127-238, 149+287). Frauds, Statute of, [§158\(4\)](#).

An agreement to obtain an option on a mine, and to transfer same to a corporation, the stock in which was to be distributed among the parties to the agreement, which agreement was carried out, was taken out of the statute by performance (130-450, 153+874). Frauds, Statute of, [§56\(8\)](#).

Evidence of part performance by a lessee, consisting of plowing the land and spreading manure thereon in reliance on a verbal agreement of the lessor to extend the lease, held to justify a finding of part performance taking the agreement to extend out of the statute (134-68, 158+808). Frauds, Statute of, [§158\(4\)](#).

Evidence held insufficient to show clearly alleged oral lease or part performance (122-123, 142+18). Specific Performance, [§119](#).

Evidence held to sustain the findings of the trial court that a written option to purchase had been modified by parol, and that the parol agreement had been acted upon, so that specific performance would be decreed (128-106, 150+387). Specific Performance, [§121\(3, 5\)](#).

Where a purchaser of land takes possession and makes valuable improvements, he is entitled to a conveyance, though the agreement of sale was in parol (128-135, 150+615). Frauds, Statute of, [§129\(9\)](#).

An oral contract to convey land is taken out of the statute of frauds, where the purchaser goes into possession of the land and makes improvements (125-49, 145+615). Frauds, Statute of, [§79](#).

In absence of possession and improvements, an oral contract to purchase land gives the purchaser no rights, though he has paid the purchase price (135-449, 161+155). Frauds, Statute of, [§129\(5\)](#).

**Contract to devise**—To warrant specific performance of an oral contract to give property by will, the contract must be reasonable and satisfactorily established, and must have been performed to such extent and in such manner that the beneficiary cannot be properly compensated in damages (125-118, 145+812). Specific Performance, [§51](#), [94](#), [121\(2\)](#).

#### 7005. Logs—Extension of time of payment for labor—

Where the pleadings do not show that the contract sued on is within the statute, the defense may be presented by motion to dismiss at the close of plaintiff's case (128-468, 151+195). Frauds, Statute of, [§152\(1\)](#).

### CONVEYANCES FRAUDULENT AS TO CREDITORS

#### 7011. Of chattels without delivery—Fraud presumed—

See note under § [6015—]25 as to changes effected thereby and by § [6015—]26.

#### 7013. With intent to defraud creditors, void—

**Conveyance by nonresident—Attachment**—If the conveyance of real estate made by a nonresident debtor is fraudulent as to creditors, the land remains the property of the debtor, as against such creditors, and may be seized by them on a writ of attachment as the basis of an action against such nonresident. Where such attachment has been made the creditor has the right to proceed to judgment and to sell the real estate without first contesting the validity of the conveyance. The service of a summons upon a nonresident debtor in an action to recover

the debt cannot be set aside upon affidavits that he has no interest in the property upon which attachment has been levied as the basis of the action, since the validity of the conveyance cannot be determined upon affidavits, nor in an action to which the claimant thereunder is not a party (123-364, 143+915). Fraudulent Conveyances, Ⓒ228.

**Homestead**—Where husband, to induce his wife to join in sale of homestead, agrees that she shall receive the proceeds, the transaction is not fraudulent as to creditors (123-459, 144-152). Fraudulent Conveyances, Ⓒ52(4).

A deed conveying both a homestead and unexempt land is valid as to the homestead, even if fraudulent as to the unexempt land (134-400, 159+958). Frauds, Statute of, Ⓒ52(3).

**Declaratory of common law**—The transfer with intent to delay or defraud creditors contemplated by § 7846 subd. 4 is a transfer fraudulent as to creditors as at common law (124-112, 144+433). Attachment, Ⓒ44.

**Transfers between relatives**—Conveyance of land to a child in payment for services rendered in pursuance of a prior agreement is supported by a sufficient consideration as against creditors of the grantor (134-400, 159+958). Fraudulent Conveyances, Ⓒ96(2).

A deed by defendant to his daughter held in fraud of judgment creditors (126-141, 147+958). Fraudulent Conveyances, Ⓒ295(1).

**Evidence admissible**—In an action against a sheriff to recover personal property seized under execution against plaintiff's husband, evidence as to transactions by which her husband's farm had been transferred to plaintiff was properly admitted upon the question whether there was a scheme to defraud and as to whether the produce belonged to plaintiff or her husband (135-105, 160+249). Fraudulent Conveyances, Ⓒ286(8).

**Preferences**—Default judgment based upon a valid indebtedness procured by judgment creditor with co-operation of defendant to give creditor a paramount lien on lands and to defeat defendant's creditors was a preference, and when without special benefit to debtor was voidable only in bankruptcy or insolvency proceedings. Default judgment based upon a valid indebtedness amounting to a preference as against defendants' creditors is not void at common law, though obtained through collusion, unless debtor, co-operating with preferred creditor, secured some special advantage to himself (162+474). Fraudulent Conveyances, Ⓒ124.

A mortgage giving an existing creditor a preference is not invalid as to other creditors, unless the mortgagee is chargeable with notice of intent by the mortgagor to defraud creditors (129-481, 152+879). Fraudulent Conveyances, Ⓒ115(1).

**Intent**—In absence of an actual intent to defraud creditors, a transfer by a debtor to a creditor of property to pay or secure the debt is not fraudulent, though it may be a preference, unless it is made invalid by law, and then only in aid of some insolvency or bankruptcy proceeding (127-256, 149+372). Fraudulent Conveyances, Ⓒ4(1).

Evidence held to sustain a finding that there was no intent to defraud creditors, invalidating an assignment by a debtor to his creditor of the proceeds of an insurance policy on property that had been destroyed by fire (127-256; 149+372). Fraudulent Conveyances, Ⓒ298(1).

Evidence held to sustain a finding that a voluntary conveyance of land was actually fraudulent, and that it was made with intent to defraud subsequent creditors (129-356, 152+727). Fraudulent Conveyances, Ⓒ298(4).

A mortgage, executed without consideration, to protect the mortgagors against their own improvidence, did not work an estoppel against a proceeding to cancel the same, on the ground that it was given with intent to defraud creditors, where there were in fact no creditors entitled to complain (124-176, 144+761). Fraudulent Conveyances, Ⓒ174(4).

**Judgments**—In action to have lien of judgment declared inferior to lien of plaintiff's subsequent judgment, evidence held to sustain finding that former judgment was procured to defraud creditors, especially plaintiff, and was not founded on a bona fide indebtedness of same defendant (162+474). Fraudulent Conveyances, Ⓒ299(7).

**Consideration**—A voluntary conveyance of real estate is void as to subsequent creditors of the grantor, if it was actually fraudulent, and was made with intent to defraud such creditors (129-356, 152+727). Fraudulent Conveyances, Ⓒ74(4).

Conveyance of unexempt property without consideration, without retention of sufficient property to pay the grantor's debts, is void as to prior creditors (134-400, 159+958). Fraudulent Conveyances, Ⓒ58.

#### 7015. Question of fact—Voluntary conveyances—

Bill of sale of personal property, made without other consideration than a promise of the transferee to sell the property at auction and apply the proceeds to the payment of an indebtedness due from the transferor to transferee upon an executory contract for the sale of land, held fraudulent as to creditors (123-444, 143+1130). Fraudulent Conveyances, Ⓒ78.

If a transfer of a farm to plaintiff was made with intent to defraud her husband's creditors, whether she can hold the produce of the farm as against such creditors depends upon whether she, acting in good faith, raised such produce for her own use and benefit, and this is ordinarily a question for the jury (135-105, 160+249). Husband and Wife, Ⓒ133½.

#### 7017. Assignment of debt—

Failure to file the assignment of a debt as provided by this section does not render such assignment absolutely void, but casts upon the assignee the burden of proving that it was made in good faith and for value (124-160, 144+763). Assignments, Ⓒ46.

#### 7019 "Conveyance" defined—

124-346, 145+112.