

HOUSE No. 658

Bill accompanying the petition of Robert A. B. Cook and another for an amendment of the law relative to chattel mortgages. Joint Judiciary. January 19.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty.

AN ACT

Relative to Chattel Mortgages, Assignments and Bills of Sale.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section one of chapter one hundred and ninety-eight
2 of the Revised Laws, as amended by chapter two hun-
3 dred and twenty-six of the acts of nineteen hundred and
4 fifteen, is hereby further amended by striking out all
5 after the word "void", in the seventeenth line, so as to
6 read as follows:—

7 *Section 1.* Mortgages of personal property shall,
8 within fifteen days from the date written in the mortgage,
9 be recorded on the records of the city or town in which
10 the mortgagor resides when the mortgage is made, and
11 on the records of the city or town in which he then
12 principally transacts his business or follows his trade or

13 calling. If the mortgagor resides out of the common-
14 wealth and the property mortgaged is within the com-
15 monwealth when the mortgage is made, the mortgage
16 shall be recorded on the records of the city or town in
17 which the property then is. If a record in two different
18 places is required and the mortgage is recorded in one
19 within said fifteen days, it may be recorded in the other
20 within ten days after the date of the first record. The
21 mortgage shall not be valid against a person other than
22 the parties thereto until it has been so recorded; and a
23 record made subsequently to the time limited shall be
24 void.

25 *Section 2.* The provisions of section one of chapter
26 one hundred and ninety-eight of the Revised Laws and of
27 the amendments thereof shall apply to bills of sale,
28 assignments and other instruments intended as security
29 for debt and covering, or relating to, personal property
30 of all kinds. If the condition for redemption of the
31 property is in writing, then it shall be recorded with,
32 and as a part of, such bill of sale, assignment or other
33 instrument. If the condition for redemption is oral, a
34 written statement of such condition signed by the mort-
35 gagee shall be so recorded.

36 *Section 3.* All chattel mortgages, bills of sale, assign-
37 ments and other instruments intended as security for
38 debt shall, to be valid against a person other than the
39 parties thereto, set forth in full and accurate detail the
40 consideration for which the said instrument was given
41 and shall contain an affidavit by the mortgagor and
42 mortgagee in substance as follows: We severally swear
43 that the foregoing mortgage (or bill of sale or assignment)
44 is made for the purpose of securing the debt specified
45 and for no other purpose whatsoever, and that it is a
46 just debt, honestly due and owing, from the mortgagor

47 to the mortgagee. A false statement wilfully made in
48 any such affidavit shall be deemed perjury and shall be
49 punished accordingly.

50 *Section 4.* Where co-partners are parties to a chattel
51 mortgage or bill of sale, assignment or other instrument,
52 to secure a debt, the affidavit may be made by either
53 partner in behalf of the firm. Where a corporation or
54 voluntary association is a party, the affidavit may be
55 made and subscribed to by any officer, director, or trustee
56 thereof, or by any person authorized by the corporation
57 or association to make or execute the mortgage.

58 *Section 5.* If such mortgage, bill of sale, assignment
59 or other instrument, is given to indemnify the mortgagee
60 or grantee against any liability assumed, or to secure the
61 fulfillment of any agreement other than for the payment
62 of a debt due from the mortgagor to the mortgagee,
63 such liability or agreement shall be stated truly and
64 specifically in the condition of the mortgage or other
65 instrument, and in the affidavit required by section three
66 hereof.

67 *Section 6.* The word "mortgagor" as herein used shall
68 be construed to include the grantor, vendor, assignor or
69 the person by whom the instrument is made. The word
70 "mortgagee" shall be construed to include the grantee,
71 vendee, assignee, or the person in whose favor the in-
72 strument is executed.

