

CHATTEL MORTGAGES.

CHAPTER 19.

REGULATING PROCUREMENT OF CHATTEL MORTGAGES IN CONNECTION WITH APPLICATION FOR INSURANCE.

AN ACT Regulating the Procurement of Chattel Mortgages in Connection With Applications for Insurance, and Providing a Penalty for Violation Thereof.

Be it Enacted by the Legislative Assembly of the Territory of Dakota:

§ 1. MUST BE SEPARATE AND DISTINCT.] It shall be unlawful for any insurance company, or any agent or solicitor therefor, within this Territory, to take, or procure to be taken, upon the property to be insured or any other property, a chattel mortgage securing the payment of the premium due or to become due (including policy fees) or any part thereof, unless such chattel mortgage shall be printed or written upon a separate and distinct paper from the application, and no mortgage given in violation of the provisions of this section shall be valid or binding upon the party executing the same, but shall in all things be null and void.

§ 2. PENALTY.] Any insurance company, or any agent or solicitor thereof, violating the provisions of this act, shall be deemed guilty of a misdemeanor. And such company shall further forfeit all its rights and privileges under its charter.

§ 3. This act shall take effect and be in force from and after its passage and approval.

Approved, March 11, 1887.