

USURY.

CHAPTER 184.

[H. F. 39.]

DEFINING USURY AND THE PENALTY FOR TAKING THE SAME.

AN ACT Defining Usury and the Penalty for Taking the Same.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. LEGAL RATE 7 PER CENT.] Interest for any legal indebtedness shall be at the rate of 7 per centum per annum, 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; unless it clearly appears therefrom that such was not the intention of the parties; and no contract for a greater rate of interest than 12 per centum per annum shall be valid.

§ 2. HIGHEST RATE 12 PER CENT.] No person, company or corporation shall directly or indirectly take or receive, or agree to take or receive, in money, goods or things in action, or in any other way, any greater sum, or any greater value for the loan or forbearance of money, goods or things in action than 12 per centum per annum; and in the computation of interest upon any bond, note or other instrument or agreement, interest shall not be compounded, but any contract to pay interest not usurious upon interest over due shall not be construed to be usury.

§ 3. GREATER RATE THAN 12 PER CENT. DECLARED USURIOUS—PROVISO.] All bonds, bills of exchange, promissory notes, mortgages, contracts and securities whatsoever, and all deposits or pledges of goods, wares, merchandise, or property of any kind, or things in action whereby or whereupon there shall be directly or indirectly taken, reserved or secured, or agreed to be taken, reserved or secured, any greater sum or value for the use, loan or forbearance of money or things in action than is provided in Section 1 of this act, whether the sum or value so secured, reserved [received] or taken or agreed to be taken shall appear in or from such bond, bill, note, assurance, mortgage, contract, or otherwise, shall be deemed usurious, and are hereby declared to be void from the beginning; *Provided*, That the provisions of this section shall not apply to nor invalidate the collection of any negotiable bill of exchange or promissory note purchased of the original holder in good faith for a valuable consideration before the maturity of the same; and, *Provided, further*, That the payment of interest in ad-

vance for any time not exceeding ninety days at a rate not exceeding 12 per cent. per annum shall not be deemed to be usury within the meaning of this act.

§ 4. EXACT AMOUNT OF INTEREST TO BE STATED IN CONTRACT.] In all written contracts for the loan of money the exact amount agreed upon to be received for the use, by the borrower, shall be stated in the contract, and separately therefrom, the rate per cent. thereon of interest contracted to be charged, and if in any contract, either verbal or written, for the loan of money, the borrower receives a less sum than the principal sum so agreed upon and contracted to be loaned to and received by the borrower, the said contract shall be deemed to be usurious except as otherwise herein provided.

§ 5. WHEN MAKER OF USURIOUS NOTE MAY RECOVER FROM ORIGINAL OWNER.] In all cases where the original owner or receiver of any usurious bill of exchange or promissory note, shall sell or part with the same before maturity thereof, or without giving notice to the purchaser or receiver of such bill of exchange or promissory note of its usurious character, the maker of such usurious negotiable bill, bill of exchange or promissory note, or his legal representatives or assigns may recover of such original owner or receiver, or from any broker or agent or person who procured or aided or assisted in inducing and procuring the execution and delivery of the same, jointly or severally, the full amount of the principal and interest named in and represented by such bill of exchange or promissory note, the interest in case of recovery to be computed to the time when such bill of exchange or promissory note shall become due and payable according to the terms thereof.

§ 6. RIGHT OF ACTION TO RECOVER FROM ORIGINAL OWNER OR RECEIVER—PROVISO.] The right of action to recover from the original owner or receiver, or from any broker, agent or person who aided or assisted in inducing and procuring the execution and delivery by any person, of a usurious negotiable bill of exchange or promissory note, the amount of the principal sum named in such bill or note, with interest thereon at the rate specified in such bill or note until the maturity thereof shall arise and accrue and be complete to the maker of such usurious negotiable bill of exchange or promissory note, or to his legal representatives or assigns, on and after the sale before maturity of such bill of exchange or promissory note by such original owner or receiver; and in such action it shall not be necessary for the plaintiff to allege or prove the payment of such usurious negotiable bill of exchange or promissory note; nor shall the payment of such usurious bill of exchange or promissory note be a condition precedent to the collection, from the original owner or receiver of such bill of exchange or note, or from any broker, agent or person in anywise a party to, or aiding and abetting in the soliciting or procuring of the execution and delivery of such bill of exchange or promissory note sold before maturity, of the full amount speci-

fied in such bill of exchange or promissory note, with interest as specified therein to the date of maturity thereof; *Provided*, That the provisions of this section shall not apply to nor prevent the collection of any bond, bill of exchange, promissory note, mortgage, conveyance or other contract of security while in the hands of the original or any holder who has not participated in such fee or compensation, nor authorized the taking of the same.

§ 7. RECEIPT OF OR AGREEMENT TO TAKE USURY VOID FROM BEGINNING.] The receipt of or an agreement by any broker, loan agent or person to receive from any person a sum of money or other consideration as a fee or compensation for obtaining a loan or forbearance of money, or an extension of time on an existing loan or forbearance of money, where such sum of money or other consideration received or agreed to be received, as a fee or compensation by such broker, loan agent or person, when added to the rate of interest expressed and reserved in the bond, bill of exchange, promissory note, mortgage or other security made or given to evidence or to secure such loan, exceeds in the aggregate the rate of 12 per centum per annum, interest shall be deemed and is hereby declared to be usury within the meaning of this act, and all and every bond, bill of exchange, promissory note, mortgage or other contract or security, thus or in like manner tainted with usury or usurious purposes, shall be void from the beginning and subject to the same provisions and liabilities and provisos, and the maker of such usurious bill of exchange, promissory note, mortgage, security or other contract shall have the same remedy in the law against the original owner or receiver of any such usurious bond, bill, note, mortgage, or other contract or security, or against any broker, agent, or person who procured, or aided or assisted in procuring the execution and delivery of any such usurious bond, bill, note, mortgage or other contract or security, as is provided for by the preceding sections of this act.

§ 8. PERSONS OFFENDING AGAINST THIS ACT TO ANSWER, ON OATH, ANY COMPLAINT, ETC., ON ORDER OF COURT.] Every person, company, or corporation offending against this act shall be compelled by an order of court to answer on oath any complaint that may be exhibited or filed against him in the district court for the proper county for the discovery of any sum of money, goods, or things so taken, accepted, or received in violation of any of the foregoing provisions.

§ 9. WHEN PARTY TO ACTION MAY BE WITNESS IN HIS OWN BEHALF.] Whenever in any action in any court the question of usury shall be raised either by complaint or answer, either party to the action may be a witness in his own behalf on the trial, except in actions in which the opposite party sues or defends as administrator or personal representative of a deceased person; except, also, actions in which the opposite party claims as assignee and the assignor is deceased.

§ 10. WHEN COURT MAY DECLARE USURIOUS NOTE, ETC., VOID.]

Whenever it shall satisfactory appear to a court that any bond, bill, note, assurance, pledge, mortgage, contract, security or other evidence of debt has been received in violation of the provisions of this act, the court shall declare the same to be void, and enjoin any proceedings thereon, and shall order the same to be cancelled and delivered up.

§ 11. BUILDING AND LOAN ASSOCIATIONS EXEMPT.] None of the provisions of this act shall apply to any building and loan association incorporated under the provisions of any law of this State.

§ 12. All acts and parts of acts in conflict with the provisions of this act are hereby repealed.

Approved March 31, 1890.

VETERINARY SURGEON.

CHAPTER 185.

[H. F. 302.]

RELATING TO CONTAGIOUS AND INFECTIOUS DISEASES.

AN ACT to Prevent the Spread of Contagious and Infectious Diseases Among Domestic Animals.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPOINTMENT—OATH.] The Governor of the State is hereby authorized to nominate, and with the consent of the Senate, to appoint a competent veterinary surgeon, who shall be known as the "State Veterinary Surgeon," and on entering on his duties shall take an oath to well and truly perform his duties as provided by law.

§ 2. DUTIES.] The duties of said Veterinary Surgeon shall be as follows:

First. To investigate any and all cases of contagious or infectious diseases among cattle, horses, mules, asses, and other domestic animals in this State of which he may have a knowledge, or which may be brought to his notice by any resident in the locality where such disease exists, and it shall be his duty in the absence of specific information to make visits of inspection to any locality where he may have reason to suspect that there are contagions or infections.