

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1190

H. P. 929

House of Representatives, March 5, 1969

Referred to Committee on Judiciary. Sent up for concurrence and 1,000 ordered printed.

EERTHA W. JOHNSON, Clerk

Presented by Mr. Dyar of Strong.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT Relating to Mandatory Discharge of Chattel Mortgages and Notes.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 11, § 3-104-A, additional. Title 11 of the Revised Statutes is amended by adding a new section 3-104-A, to read as follows:

§ 3-104-A. Return of paid note required

Notwithstanding any other provision of law, a "note" shall be returned to the maker thereof at the time that it is paid by the maker.

Any person who violates this section shall be liable to the maker for \$100, and in addition for any loss caused the maker by failure to return the note.

Sec. 2. R. S., T. 11, § 9-404, sub-§ (1), amended. Subsection (1) of section 9-404 of Title 11 of the Revised Statutes is amended to read as follows:

(1) Whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must **within 10 days from the date on which the foregoing first occurs** ~~on written demand by the debtor~~ send the debtor a statement that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must include or be accompanied by the assignment or a statement by the secured party of record that he has assigned the security interest to the signer of the termination statement. The fee for filing and indexing such an assignment or statement thereof shall be \$3, unless on a form conforming to standards prescribed by the Secretary of State in which case the fee shall be \$2. If the affected secured party fails to send such

a termination statement ~~within 10 days after proper demand therefor~~ he shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.