

AN ACT

To enable persons, associations, partnerships and corporations engaged in farming, and raising, breeding, fattening and marketing livestock, to borrow money and secure the repayment thereof by the execution and recordation of chattel mortgages on livestock, farm machinery, farm equipment, and crops; and designating the operation and effect of the lien of such mortgages.

Farmers may borrow funds from certain Federal agencies, etc.

Section 1. Be it enacted, &c., That any person, association, partnership or corporation engaged in this Commonwealth in the business of farming, or the raising, breeding, fattening or marketing of livestock, may enter into an agreement with and borrow funds from the Reconstruction Finance Corporation, Regional Agricultural Credit Corporations, the Secretary of Agriculture of the United States, or any Federal agency, including the United States of America, now or hereafter authorized to loan money to agricultural producers, or from any National or State bank, trust company, agricultural credit corporation, incorporated livestock loan company, savings institution, cooperative bank, cooperative credit or marketing association entitled to re-discount privileges with the Federal Intermediate Credit Bank, under the provisions of the Agricultural Credits Act of one thousand nine hundred and twenty-three of the United States, and may give as security for such loan a bond, containing a confession of judgment, secured by a chattel mortgage upon livestock, farm machinery or farm equipment, or upon any crop or crops either planted or to be planted within one year from the date of the execution of such mortgage, or any extension thereof, on lands within this Commonwealth. Such mortgages shall be a lien against the chattels and crops thereby conveyed, and shall be good and available in law against all subsequent purchasers or execution creditors, upon the recording thereof as hereinafter directed. Such mortgages must be in writing, signed by the mortgagor, or by his agent duly authorized and constituted, and duly acknowledged by some person authorized to take acknowledgment of deeds. No chattel mortgage of livestock and hay, grain, or other feed stuffs shall be invalid because provision is contained therein that the mortgagor may use and consume such feed stuffs in preserving and preparing for market the livestock covered thereby. Provisions contained in chattel mortgages that property of the same class as is covered by the mortgage shall be included in the mortgage lien, if acquired by the mortgagor subsequent to the execution of the mortgage and prior to its extinguishment, and provisions that the mortgage shall secure, in addition to the principal sum, any further and additional amounts as may be advanced by the mortgagee to the mortgagor

Chattel mortgage.

Mortgagor may use feed stuffs for livestock.

Additional amounts may be advanced by mortgagees.

within a period of one year from the date of the execution of the mortgage, not to exceed in the aggregate an amount stated in the mortgage, shall be valid and binding.

Section 2. The mortgages mentioned in the preceding section, when executed and acknowledged as hereinbefore provided, shall be recorded within thirty (30) days after the execution of the same in the office for the recording of deeds for the county in which said livestock, farm machinery, equipment, or crop is actually located at the time of the execution of such mortgages; and such recorder is hereby required to record the same at length in a book to be by him kept in his said office, to be provided at the expense of said county, and to be called "Chattel Mortgage Book," and he shall duly certify the record of all such instruments in the manner provided by law for mortgages on real estate; and such recorder shall be entitled to charge and receive for recording such mortgage a fee of one dollar and fifty cents (\$1.50). Such mortgages shall, except between parties thereto, take effect and be valid only from the time of recording as herein provided, and in case of more than one mortgage, the first recorded shall have preference and be first paid out of the proceeds of the sale of the property mortgaged. Such mortgage shall remain a lien on the property mortgaged as between the parties thereto until paid; but as to third parties shall not remain a lien for a longer period than five years, unless the lien thereof is extended for an additional period of five years by the filing with the recorder of deeds of the affidavit of the mortgagee, or his successor in interest, stating the amount then secured by the lien. A notation of the filing of such affidavit and extension of lien shall be made on the margin of the original record of the mortgage in the office of the recorder of deeds.

Recordation of mortgages.

Recording fee.

Mortgages valid only from time of recording, except between parties thereto.

Extension of lien.

Section 3. All such mortgages may be assigned or released by an instrument in writing, signed by the mortgagee, his agent or assignee, and recorded in the same office as the original mortgage, and such assignment or release shall, except as between the parties thereto, take effect and be valid only from the time of recording the same.

Mortgages may be assigned.

Section 4. Such chattel mortgages, upon default by the mortgagor in the payment of the mortgage debt and interest, or the covenants in the mortgage contained, may be foreclosed and the mortgaged chattels sold in the same manner as authorized by the laws of this Commonwealth in the case of personal property sold under execution.

Chattel mortgages may be foreclosed.

Section 5. Unless otherwise expressly provided by such mortgage, the mortgagor shall be entitled to retain possession of the mortgaged chattels and crops until default under the terms of his agreement; but a re-

Removal of mortgaged chattels deemed a default.

moval of the mortgaged chattels or crops after harvest from the county in which they were actually located at the time of the execution of the mortgage shall be deemed a default, unless expressly waived by the mortgagee, or his duly authorized agent or assignee.

Section 6. This act shall become effective immediately upon its final enactment.

APPROVED—The 2d day of March, A. D. 1933.

GIFFORD PINCHOT

No. 5

AN ACT

Validating, ratifying and confirming acts and municipal functions done, executed and performed, municipal works and improvements instituted and completed, and affairs regulated by boroughs in accordance with general borough laws, where such boroughs were incorporated under local law, and no official record of the acceptance of the general borough law is in existence or can be found.

Boroughs.

Acts done under general borough laws by boroughs incorporated under local law.

Acceptance of general borough law.

Validation.

Section 1. Be it enacted, &c., That whenever heretofore any borough incorporated under local law, or the authorities thereof, have done, executed, and performed any or all acts or municipal functions, instituted and completed municipal works and improvements, and regulated the affairs of such borough under and in accordance with the provisions of the general borough laws, in the same manner in all respects as boroughs acting under such general borough laws are legally authorized and empowered to do, under the presumption and belief that said general borough laws had been duly accepted by such borough incorporated by local law in the manner provided by law for such acceptance, and that such borough and the corporate authorities thereof were legally authorized and empowered to act, perform municipal functions, institute and complete municipal works and improvements, and regulate the affairs of such borough under and in accordance with such general borough laws, and it shall have been subsequently ascertained that no official record of the acceptance by such borough of such general borough laws is in existence or can be found, then, and in any such event, upon the acceptance by such borough incorporated under local law of the general borough law in the manner provided by law, whether prior or subsequent to the passage of this act, the acts and municipal functions done, taken, performed, and executed, the affairs regulated, and the proceedings instituted and completed in accordance with such general borough law, be, and the same are hereby, ratified, confirmed, and made valid in