

THIS IS THE LAW

CONDITIONAL SALES

What is a conditional sales contract?

It is a type of contract used by many persons in buying items of personal property on the installment plan. It enables the buyer to get immediate possession of the property on his promise that he will pay the full purchase price later in certain specified installments. Although the buyer acquires possession, the seller retains the title or ownership of the property until the last payment is made.

Merchants frequently attract the attention of customers by advertising the conditional sales contract security device as the "easy payment plan," "budget plan," "deferred payment plan," or "dignified credit plan."

If the conditional buyer misses one of his payments, may the seller take the property back?

Yes. If the conditional buyer fails to make any payment when it is due, the seller can repossess or take back the property.

If the seller repossesses or takes back the property he can still sue the buyer for the amount of the sales price not yet paid, less any amount he gets from a resale of the property.

Is a conditional sales contract valid oral?

A conditional sales contract is valid, as between the conditional seller and the conditional buyer, without a writing. But in order to be valid against the creditors of, and purchasers for a valuable consideration from, the conditional buyer it must be in writing and registered in the court house.

Many conditional sellers do not make a general practice of registering all written conditional sales contracts. They frequently register only contracts involving a large sum of money or where, in their opinion, there is considerable financial risk.

Where must the conditional sales contract be registered?

If the conditional buyer is an individual who resides in North Carolina, the contract must be registered in the office of the register of deeds of the county where the conditional buyer resides at the time the instrument is executed.

Where a conditional sales contract has been registered in the proper county, a subsequent change of residence of the buyer or a subsequent removal of the property to another county of North Carolina does not affect the lien. The law does not require a second registration in this State in either of these events.

A resident of North Carolina buys an automobile from the Jones Motor Company. The conditional sales contract is not registered. The conditional buyer sells the automobile to Tom Smith who has

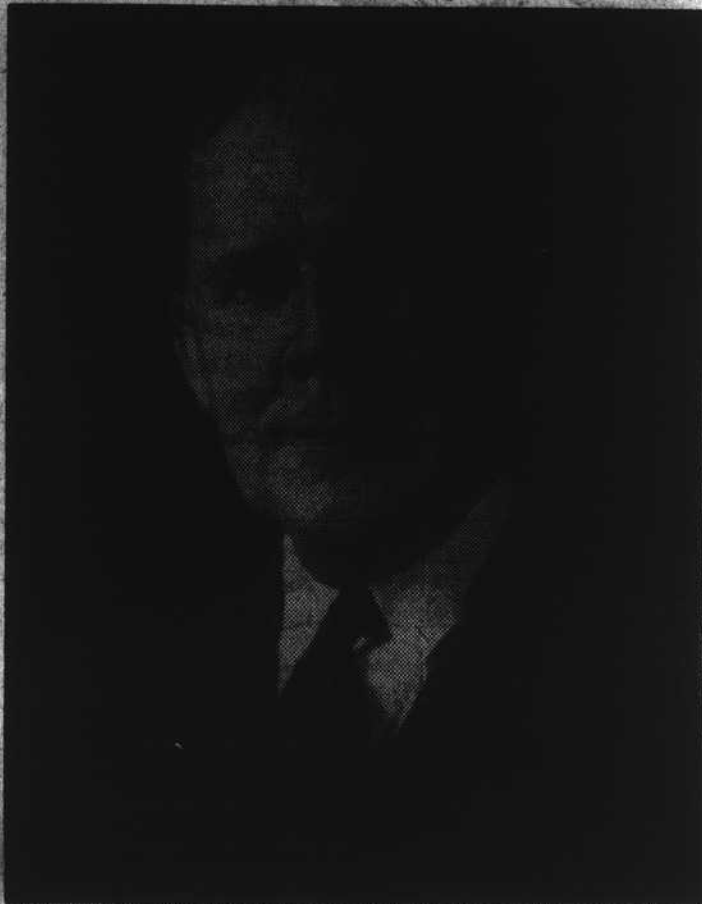
actual knowledge of the fact that the automobile was acquired from the Jones Motor Company under a conditional sales contract. Does

Tom Smith get a valid title to the car? Yes. The Jones Company should have protected its lien on the

automobile by a registration of the conditional sales contract. No notice, however full and formal will supply the want of registra-

tion. The purpose of our statutes is to encourage an immediate and proper registration of such instruments.

A Message from YOUR CONGRESSMAN



IN ANNOUNCING my candidacy for re-election to Congress, I first want to express my sincere thanks to the good people of the Third Congressional District for the confidence and trust shown in me over the years.

To the best of my ability, I have sincerely tried to make my record one of service and one of which both myself and our District would be proud. This I sincerely believe I have accomplished.

My record shows that I have never hesitated to go even beyond the call of normal duty to help in all matters of vital interest to you, including such matters as military bases (including Camp Lejeune, Cherry Point, and Seymour Johnson); river, harbor and drainage projects; school projects for towns, roads; REA projects, veterans' problems, railroad and transportation, and marketing of agricultural products.

My record shows that all these problems and others have, of course, been in addition to the heavy history making legislative program, much of which has been of direct benefit to our District. I am proud that this record includes the George-Barden Act, dealing with vocational training; the Barden-LaFollette Act, dealing with the training of the physically handicapped; the Tobacco Program, and many others.

My 21 years of congressional seniority, service on many important legislative committees, and the Chairmanship I now hold on the very important House Committee on Education and Labor have taught me many things. Among them, the sure knowledge that legislation is not passed by pressing buttons, regardless of promises. Instead, effective legislative work requires a lot of experience, hard work and a respected standing with your fellow Members of the Congress. All these advantages I have to offer our District. Between now and the May 26 Primary, I plan to visit the District as much as the legislative schedule of the Congress will allow, but there will be much legislation of vital interest to our District which will require my being in Washington.

I make only one promise, I shall strive to continue to represent our District in the future to the best of my ability as my record shows I have done in the past.

I EARNESTLY SOLICIT AND NEED YOUR SUPPORT.

Yours for good government,

Graham A. Barden.

GRAHAM A. BARDEN

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