

**FINANCIAL INSTITUTIONS, DEPARTMENT OF: Installment sales contracts, right of vendor to repossess on default.**

July 16, 1937.

Hon. Homer O. Stone, Supervisor,  
Division of Small Loans and Consumer Credit,  
Department of Financial Institutions,  
Indianapolis, Indiana.

Dear Sir:

This will acknowledge receipt of your letter of July 15 in which you submit the question as to the right of a finance company on repossession of an automobile under a contract which provides that:

“\* \* \* In the event purchaser defaults on any payment due on this contract the full amount shall be immediately due and payable.”

In reply to this question your attention is directed to section 15, chapter 182, Acts of the Indiana General Assembly, 1935, commonly known as the Uniform Conditional Sales Act, which provides that the seller who desires to retake the goods on account of the buyers default shall give ten days' notice prior to such retaking. The section further provides:

“If the notice is so served and the buyer does not perform the obligations in which he has made default before the day set for retaking, the seller may retake the goods without complying with the provisions of sections 17, 18, 19, 20 and 21 regarding resale, and without any right of redemption; \* \* \*”

Section 24 of the Act above mentioned provides that the buyer cannot waive the provisions of sections 16, 17, 18, 19 and 23, by any stipulation in the contract of sale. It then contains the further provision:

“\* \* \* Except that the contract may stipulate that on such default of the buyer as is provided for in section 14, the seller may rescind the conditional sale, either as to all the goods or as to any part thereof for which a specific price was fixed in the contract. *If the contract thus provides for rescission, the seller*

*at this option may retake such goods without complying with or being bound by the provisions of sections 15 to 23 inclusive, as to the goods retaken, upon crediting the buyer with the full purchase price of those goods."*

It would seem, therefore, that the exception last above quoted gives the seller the right to immediately repossess the goods which constitutes the subject matter of the sale, if the contract of sale contains such a provision, without giving to the buyer any notice of his intention to retake and without granting any time for redemption.

Your attention is directed, however, to the last sentence of section 24 which reads as follows :

"So much of this credit as is necessary to cancel any indebtedness of the buyer to the seller shall be so applied, and the seller shall repay to the buyer on demand any surplus not so required."

It would seem that this provision would require such conduct on the part of the seller as might make him much prefer to follow the provisions of section 15, rather than to assert his rights under section 24.

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**VETERINARIAN, STATE: Animals, statute requiring bodies of dead, to be hauled to reduction plant licensed by state is exercise of police power. Interstate commerce not burdened by prohibiting transportation of dead animals outside of state.**

July 16, 1937.

Dr. J. L. Axby,  
State Veterinarian,  
State House,  
Indianapolis, Indiana:

Dear Sir:

I have your letter requesting an opinion upon the construction and applicability of certain provisions of chapter 278, Acts of 1937, p. 1279. The title of the Act is as follows:

"An Act to control animal diseases and to regulate the transportation and disposal of the bodies of dead