

**Abstracter—Transfer of the Certificate of Authority
From One Abstracter to Another—Approval of Transfer by
the District Judge.**

The certificate of authority from one abstracter to another may not be transferred.

Any transfer of a surety or guaranty on an abstracter's bond must be approved by the District Judge of the county wherein the abstract company does business. Such transfer and approval should be treated by the State Treasurer as a new bond and certificate of surety issued accordingly.

J. W. Walker, Esq.,
State Treasurer,
Helena, Montana.

My dear Mr. Walker:

You have requested an opinion as to whether the Citizens Abstract Company of Ryegate, Montana, which has purchased the stock and business of the Golden Valley Abstract Company of the same place, may have its certificate of authority and bond transferred by your office from the former to the latter name.

The surety on the bond of the Citizens Abstract Company would be released from liability thereon, unless it gave its legal consent to such change, as it would be a material alteration in the contract between the principal and the surety, to wit, a substitution of principals.

If a supplemental contract is entered into between the principal and the surety to make the old bond apply to the new principal, it amounts to nothing more or less than the giving of a new bond in lieu of the old one, and under Section 1, Chapter 43 of the 1915 Session Laws, would again require approval by the District Judge.

There is no provision in the law authorizing the transfer of certificates of authority from one abstractor to another. This law differs from the law governing insurance companies and agents, in that this is not a license act. The only fee here required is \$1 for the issuance of the certificate.

It is, therefore, my opinion, and you are advised, that the law does not allow the transfer of the certificate of authority from one abstractor to another; that any transfer of surety or guaranty on the bond of the Citizens Abstract Company must be approved by the District Judge of the county wherein the abstract company does business and treated by your office as a new bond, and certificate issued accordingly.

Very truly yours,

WELLINGTON D. RANKIN,
Attorney General.