

Abstractors, Must Furnish New Bond Annually. Bond, of Abstractor must Furnish Annually. Renewal, of Bond.

Under the provisions of Chapter 43, Laws of 1915, abstractors of title to real estate are required to furnish a bond in the sum of \$5,000, which shall be renewed annually. Held: That a renewal which is conditioned that the liability of the surety shall not exceed in all the sum of \$5,000, is unlawful.

April 24, 1916.

Hon. William C. Rae,
State Treasurer,
Helena, Montana.

Dear Sir:

I am in receipt of your letter enclosing bond of Claud E. Davidson of Roundup, as principal, and the National Surety Company as surety,

which bond was given pursuant to the provisions of Chapter 43, Laws of 1915, which is an act to compel abstractors of title to real estate to file a bond with the state treasurer for the protection of those with whom they deal. The bond you enclosed has a continuation certificate attached which provides:

"This continuation is executed upon the express condition that the company's liability under said bond and this continuation and all other continuations together, shall not exceed the sum of \$5,000."

Under the terms of Section 5 of the Act an abstractor's bond when furnished, approved and filed with the state treasurer is in full force and effect for one year unless sooner annulled. This section provides such bond "shall be renewed annually," which means that the bond shall be re-made, or made new annually. It is the intent of the law that for each year's business done by the abstractor, his clients shall be protected by bond to the extent of \$5,000. A continuation of the old bond with a limitation of liability, as is done in this case, does not, therefore, conform to the law.

Yours very truly,

J. B. POINDEXTER,

Attorney General.