

MOTOR VEHICLE SALES FINANCE ACT (EXCERPT)
Act 27 of 1950 (Ex. Sess.)

492.130 Installment sale contract; payment in full, release, discharge, instruments delivered to buyer.

Sec. 30. (a) Upon payment in full of the time balance and other amounts lawfully due under an installment sale contract, the holder shall, unless the buyer is otherwise indebted to the holder and has secured such debt by lien upon the motor vehicle:

1. Return to the buyer the original of all instruments evidencing indebtedness or constituting security under an installment sale contract, which were signed by the buyer or his sureties or guarantors in conjunction with such contract, excepting such instruments as are filed or recorded with a public official and retained in the files of such official, and

2. Release all security interest in the motor vehicle or in collateral security to the obligation of the buyer under such contract, and

3. Deliver to the buyer all documents of title obtained from him.

(b) When the final payment on an installment sale contract is made in cash, money order or equivalent tender, by the buyer or his authorized representative, at the office of the holder, a legal discharge of this encumbrance, shall be delivered at the time of such tender of payment, if demanded by the buyer; otherwise delivery may be made at a later date in person or by mail as may be arranged between buyer and holder. All other instruments referred to in this section shall be delivered or mailed to the buyer within 25 days of the date of final payment.

History: 1950, Ex. Sess., Act 27, Eff. Mar. 31, 1951.