

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1801

S. P. 616

In Senate, June 1, 1971

Reported by Senator Tanous of Penobscot from Committee on Judiciary and printed under Joint Rules No. 18.

HARRY N. STARBRANCH, Secretary

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Relating to Defenses for Holders of a Retail Installment Sale Agreement.

Be it enacted by the People of the State of Maine, as follows:

R. S., T. 11, § 3-302, sub-§ (5), additional. Section 3-302 of Title 11 of the Revised Statutes is amended by adding a new subsection (5) to read as follows:

(5) When the sale of consumer goods of \$50 or more is involved, any assignee of any installment sales contract or instrument given therewith shall not be deemed a holder in due course.

(a) Consumer goods under this section shall be as defined in Article 9, section 9-109, subsection (1); and

(b) "Installment sales contract" for the purposes of this section means a contract for the sale of consumer goods which require satisfaction in 2 or more payments; and

(c) Any agreement to waive any rights or remedies which the maker may have against the seller or holder of the installment sales contract or instrument given therewith shall be void; and

(d) Any provision by which the maker agrees not to assert against a seller or holder a claim or defense arising out of the sale of said consumer goods or agrees not to assert against an assignee such a claim or defense shall be void.