

MAINE STATE LEGISLATURE

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SEVENTY-SECOND LEGISLATURE

HOUSE.

No. 36

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND FIVE.

AN ACT to prohibit sales of merchandise in bulk in fraud of
creditors.

*Be it enacted by the Senate and House of Representatives in
Legislature assembled, as follows:*

Section 1. The sale in bulk of any part or the whole of a
2 stock of merchandise, otherwise than in the ordinary course
3 of trade and in the regular and usual prosecution of the
4 seller's business, shall be fraudulent and void as against the
5 creditors of the seller, unless the seller and purchaser, at least
6 five days before the sale, make a full, detailed inventory,
7 showing the quantity and, so far as possible with exercise of
8 reasonable diligence, the cost price to the seller of each arti-
9 cle to be included in the sale; and unless the purchaser
10 demands and receives from the seller a written list of names
11 and addresses of creditors of the seller, with the amount of

12 indebtedness due or owing to each and certified by the seller,
13 under oath, to be, to the best of his knowledge and belief,
14 a full, accurate and complete list of his creditors and of his
15 indebtedness; and unless the purchaser shall, at least five
16 days before taking possession of such merchandise, or pay-
17 ing therefor, notify personally or by registered mail every
18 creditor whose name and address are stated in said list of
19 the proposed sale and of the price, terms and conditions
20 thereof. *Provided, however,* that the preceding provisions
21 of this section shall not apply if the purchaser, before any
22 such sale of merchandise, shall demand and receive from the
23 seller a written list of names and addresses of creditors of
24 the seller, certified by the seller under oath to be, to the best
25 of his knowledge and belief, a full, accurate, and complete
26 list of the names and addresses of his creditors, and the
27 seller, prior to such sale, shall produce and deliver to the
28 purchaser a written waiver of the provisions of this act
29 signed by the creditors of the seller whose names are stated
30 in such verified list.

Sect. 2. Sellers and purchasers under this act shall include
2 corporations, associations, co-partnerships, and individuals,
3 but nothing contained in this act shall apply to sales by execu-
4 tors, administrators, receivers, assignees under a voluntary
5 assignment for the benefit of creditors, trustees in bank-
6 ruptcy, or by any public officer under judicial process.

Sect. 3. This act shall take effect May 1, 1905.

STATE OF MAINE.

HOUSE OF REPRESENTATIVES,
Augusta, February 1, 1905.

Tabled pending reference to Committee on Judiciary in concurrence
by Mr. REED of Portland, and ordered printed.

E. M. THOMPSON, *Clerk.*