

HOUSE No. 2948

By Mr. Piro of Somerville, petition of Vincent J. Piro for legislation to protect creditors under the Uniform Commercial Code. The Judiciary.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Nine.

AN ACT PROTECTING CREDITORS UNDER THE UNIFORM COMMERCIAL CODE.

Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:

1 Chapter 106 of the General Laws is hereby amended by inserting
2 after section 6-104, of subsection 3 the following subsection: —
3 (4) In the event that a transferor or his agent swears or affirms
4 that there are no creditors then the transferee shall hold in escrow
5 fifty percent of the proceeds of the sale for fifteen days following
6 the day of the sale. The transferee shall within three days following
7 the day of the sale, give notice to all persons with whom the
8 transferor has conducted his usual business within sixty days prior
9 to the day of the sale that a sale has taken place and the transferor
10 or his agent has sworn and affirmed that there were no creditors.
11 On the sixteenth day following the sale, if no creditors notify the
12 transferee then the proceeds held in escrow shall be paid over to the
13 transferor.

By Mr. [Name] (Republican) of [State], a bill
to amend the [Code], in relation to [Subject],
and for other purposes.

The Enactment of the [Code]

Enacted by the Senate and Assembly of the State of [State],

on the [Date] day of [Month], 19[Year].

Attest: My commission expires the [Date] day of [Month], 19[Year].

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