

HOUSE No. 356

Bill accompanying the petition of Jacob Wasserman relative to prohibiting the mortgaging of merchandise in fraud of creditors. Joint Judiciary. January 8.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Seventeen.

AN ACT

To prohibit the Mortgage of Merchandise in Bulk in
Fraud of Creditors.

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

1 SECTION 1. The mortgage in bulk of any part or
2 the whole of a stock of merchandise, otherwise than in
3 the ordinary course of trade and in the regular and
4 usual prosecution of the mortgagor's business, shall be
5 fraudulent and void as against the creditors of the
6 mortgagor, unless the mortgagor, at least five days
7 before the date of the mortgage, makes a complete and
8 accurate list of his creditors and of his indebtedness,
9 and unless the mortgagor shall, at least five days before
10 the execution of the mortgage, notify personally or by
11 registered letter every creditor whose name and address
12 are stated in said list of the proposed mortgage and of
13 the amount, terms and conditions thereof.

1 SECTION 2. Mortgagors and mortgagees under this act
 2 shall include corporations, associations, partnerships and
 3 individuals, but nothing herein contained shall apply to
 4 mortgages by executors, administrators, receivers, as-
 5 signees under a voluntary assignment for the benefit of
 6 creditors, trustees in bankruptcy, or by any public
 7 officer under judicial process.

AN ACT

TO AMEND THE MORTGAGE ACT, 1914, IN RELATION TO THE MORTGAGE OF MERCHANDISE.

ENACTED BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF NEW YORK, IN SENATE, JANUARY 11, 1917.

CHAPTER 100.

SECTION 2.

Mortgagors and mortgagees under this act shall include corporations, associations, partnerships and individuals, but nothing herein contained shall apply to mortgages by executors, administrators, receivers, assignees under a voluntary assignment for the benefit of creditors, trustees in bankruptcy, or by any public officer under judicial process.

