

[AS REPORTED FROM THE SELECT COMMITTEE ON THE BILL 26TH JULY, 1882.]

CHATELS SECURITIES ACT AMENDMENT.

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A BILL INTITULED

AN ACT to make further Provisions in Relation to Bills of Sale.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

5 1. The Short Title of this Act is "The Chattels Securities Act Amendment Act, 1882;" and it shall come into operation on the first day of October, one thousand eight hundred and eighty-two.

Short Title.

2. This Act shall be construed with and be deemed to be incorporated with Parts I. and V. of "The Chattels Securities Act, 1880" (herein referred to as "the principal Act"), and shall apply to every bill of sale made or given after the commencement of this Act.

Construction of Act.

3. Every bill of sale shall be deemed to be given on, and shall only take effect from, the day when on which such bill is actually executed, and shall have no retrospective effect notwithstanding any agreement previously made in relation to the giving of such security.

Dating of bills of sale.

4. Every bill of sale—
(1.) Shall set forth, in such a manner as that all persons may understand it correctly, a statement of the entire amount of money paid or goods supplied by the grantee thereof to the grantor in consideration whereof such bill is given, distinguishing in such statement the amount of money paid or goods supplied respectively prior to the execution of such bill of sale and contemporaneously therewith;

Bills of sale to set forth consideration in full.

(2.) Shall be verified by a statutory declaration to be made by the grantee under "The Justices of the Peace Act, 1882," that the above-mentioned statement of the consideration for which the bill of sale is given is true and correct in every particular, and that the grantor is justly indebted to the grantee for such money or goods respectively;

To be verified by declaration.

(3.) Shall be executed in the presence of a Justice of the Peace, or a solicitor of the Supreme Court (not being the solicitor to the grantor or grantee of the bill of sale, nor the partner or clerk of such solicitor), who shall state, in the attestation of the execution of the bill of sale, the day on which such bill of sale was actually executed, and that he

To be attested and executed before Justice of the Peace.

has, before such execution, ~~carefully explained to~~ *ascertained that the grantor is aware of* the nature and effect of the bill of sale.

A bill of sale shall not be effectual to pass any personal chattels or any power or authority over them to the grantee unless verified and executed as aforesaid. 5

Inventory to be annexed of details.

5. Every bill of sale shall have annexed thereto, or written thereon, a schedule containing an inventory of the personal chattels comprised in the bill of sale, and such bill of sale shall be valid only in respect of the personal chattels comprised in the said schedule; and shall, so far as regards the property in or right to the possession of any personal chattels not comprised in such schedule, be void and of no effect. 10

Not to affect after-acquired property.

6. No bill of sale shall be valid, or have any effect as regards any personal chattels mentioned in the said schedule, if such chattels, at the time of the execution of the bill of sale, did not actually belong to the grantor. 15

Clauses struck out.

Given for under fifty pounds void.

7. Every bill of sale made or given in consideration of any sum under fifty pounds shall be void and of no effect. 20

Unregistered bills of sale void.

8. Every bill of sale, unless it shall be registered, shall, so far as regards the property in or right to the possession of the personal chattels comprised therein, be void and of no effect.

Registered bills of sale void against prior judgment.

9. Every bill of sale, notwithstanding that it is registered, shall be void and of no effect as against a creditor who, prior to such registration, has *bonâ fide* obtained a judgment against the grantor of such bill. 25

Bills within three months of bankruptcy void against creditors, except as to present considerations.

10. 7. If the person making or giving a bill of sale shall, within three months after the date thereof, be adjudged a bankrupt, or revoke any arrangement or composition with his creditors under the provisions of any law relating to bankruptcy or insolvency, or otherwise, such bill of sale shall be null and void as against the same persons and to the same extent as a bill of sale not duly registered is declared by section four of the principal Act to be null and void; 30

Except so far as relates to ~~money owing in respect to trade fixtures, plant, or machinery supplied prior to the date of such bill, and except also~~ as to money *advanced or paid*, or goods or *chattels sold or supplied*, by the grantee contemporaneously with the execution of the bill of sale, to the extent whereof such bill of sale shall be valid, but not otherwise. 40

Clause struck out.

No seizure to be made without notice and written demand.

11. Notwithstanding any provision contained in any bill of sale to the contrary, no personal chattels shall be seized under or by virtue of any bill of sale until after the expiration of three days from default made in any payment due and payable under such bill, and a written demand of the amount due has been given to the grantor or sent to him by post. 45

Five days to elapse between seizure and sale.

12. 8. All personal chattels seized under or by virtue of any bill of sale shall remain on the premises where they were so seized, and shall not be removed or sold *without the written consent of the grantor* until after the expiration of five clear days from the day they were so seized. 50