

MAINE STATE LEGISLATURE

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NINETY-SEVENTH LEGISLATURE

Legislative Document

No. 257

H. P. 273

House of Representatives, January 27, 1955.

Referred to Committee on Judiciary. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Childs of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

AN ACT Amending the Law Relating to Factors' Liens.

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

Sec. 1. R. S., c. 181, § 4, amended. The 1st paragraph of section 4 of chapter 181 of the revised statutes is hereby amended to read as follows:

'If so provided by any written agreement, all factors shall have a continuing general lien upon all materials, goods in process and merchandise from time to time consigned to or pledged with them, whether in their constructive, actual or exclusive occupancy or possession or not, and upon the proceeds resulting from the sale or other disposition of such materials, goods in process and merchandise, for all their loans and advances to or for the account of the person creating the lien, hereinafter called the borrower, together with interest thereon, and also for the commissions, obligations, indebtedness, charges and expenses properly chargeable against or due from said borrower and for the amounts due or owing upon any notes or other obligations given to or received by them for or upon account of any such loans or advances, interest, commissions, obligations, indebtedness, charges and expenses, and such lien shall be valid from the time of filing the notice hereinafter referred to, whether such materials, goods in process or merchandise shall be in existence at the time of the agreement creating the lien or at the time of filing such notice or shall come into existence subsequently thereto or shall subsequently thereto be acquired by the borrower; ~~provided that there shall be placed and maintained on the door of, or in a conspicuous place at one of the principal entrances of the place of business or other premises in or at which such materials, goods in process and merchandise shall be located, kept or stored, the name of the factor in legible lettering~~

~~and a designation of said factor as factor; and provided further~~ that a notice of the lien is filed stating:

Sec. 2. R. S., c. 181, § 6, amended. The last sentence of section 6 of chapter 181 of the revised statutes is hereby amended to read as follows:

'When materials, goods in process or merchandise subject to the lien provided for by sections 4 to 11, inclusive, are sold in the ordinary course of the business of the borrower, such lien, whether or not the purchaser has knowledge of the existence thereof, shall terminate as to the materials, goods in process or merchandise and shall attach ~~to the proceeds of such sale in the hands of the borrower~~ without further act, writing or formality to the accounts receivable or proceeds of such sale in the hands of the borrower.'

Sec. 3. R. S., c. 181, § 9, amended. Section 9 of chapter 181 of the revised statutes is hereby amended to read as follows:

'**Sec. 9. Common law lien.** When any factor, or any third party for the account of any such factor, shall have possession of materials, goods in process or merchandise, such factor shall have a continuing general lien, as set forth in section 4, without recording the notice ~~and posting the sign~~ provided for in sections 4 to 11, inclusive.'