

Introduced by
S. F. No. 9 Judiciary Committee

A B I L L
for

AN ACT Concerning Fraudulent
Conveyances and to make
Uniform the Law Relating
Thereto.

Introduced **JAN 16 1929**

Read first time **JAN 16 1929**

Referred to Com. No. 1 **JAN 16 1929**

Delivered to Printing Committee **JAN 16 1929**

Returned from Committee No. 19 **JAN 17 1929**

Del'd. to Com. No. 1 **JAN 17 1929**

Returned from Committee No. 1 **JAN 21 1929**

Rec. Do Pass

Placed on general file.

Considered in committee of the Whole

Rec. Do Pass **JAN 21 1929**

Committee report adopted.

JAN 21 1929

Read second time

A B I L L

for

AN ACT Concerning Fraudulent Conveyances and to
make Uniform the Law Relating Thereto.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WYOMING:

Section 1. DEFINITION OF TERMS. In this act "Assets" of a debtor means property not exempt from liability for his debts. To the extent that any property is liable for any debts of the debtor, such property shall be included in his assets.

"Conveyance" includes every payment of money, assignment, release, transfer, lease, mortgage or pledge of tangible or intangible property, and also the creation of any lien or incumbrance.

"Creditor" is a person having any claim, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent.

"Debt" includes any legal liability, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent.

Section 2. INSOLVENCY. (1) A person is insolvent when the present fair salable value of his assets is less than the amount that will be required to pay his probable liability on his existing debts as they become absolute and matured. (2) In determining whether a partnership is insolvent there shall be added to the partnership property the present fair salable value of the separate assets of each general partner in excess of the amount probably sufficient to meet the claims of his separate creditors, and also the amount of any unpaid subscription to the partnership of each limited partner, provided the present fair salable value of the assets of such limited partner is probably sufficient to pay his debts, including such unpaid subscription.

Section 3. FAIR CONSIDERATION. Fair consideration is given for property, or obligation,

- (a) When in exchange for such property, or obligation, as a fair equivalent therefor, and in good faith, property is conveyed or an antecedent debt is satisfied, or
- (b) When such property, or obligation is received in good faith to secure a present advance or antecedent debt in amount not disproportionately small as compared with the value of the property, or obligation obtained.

Section 4. CONVEYANCES BY INSOLVENT. Every conveyance made and every obligation incurred by a person who is or will be thereby rendered insolvent is fraudulent as to creditors without regard to his actual intent if the conveyance is made or the obligation is incurred without

a fair consideration.

Section 5. CONVEYANCES BY PERSONS IN BUSINESS. Every conveyance made without fair consideration when the person making it is engaged or is about to engage in a business or transaction for which the property remaining in his hands after the conveyance is an unreasonably small capital, is fraudulent as to creditors and as to other persons who become creditors during the continuance of such business or transaction without regard to his actual intent.

Section 6. CONVEYANCES BY A PERSON ABOUT TO INCUR DEBTS. Every conveyance made and every obligation incurred without fair consideration when the person making the conveyance or entering into the obligation intends or believes that he will incur debts beyond his ability to pay as they mature, is fraudulent as to both present and future creditors.

Section 7. CONVEYANCE MADE WITH INTENT TO DEFRAUD. Every conveyance made and every obligation incurred with actual intent, as distinguished from intent presumed in law, to hinder, delay, or defraud either present or future creditors, is fraudulent as to both present and future creditors.

Section 8. CONVEYANCE OF PARTNERSHIP PROPERTY. Every conveyance of partnership property and every partnership obligation incurred when the partnership is or will be thereby rendered insolvent, is fraudulent as to partnership creditors, if the conveyance is made or obligation is incurred,

- (a) To a partner, whether with or without a promise by him to pay partnership debts, or
- (b) To a person not a partner without fair consideration to the partnership as distinguished from consideration to the individual partners.

Section 9. RIGHTS OF CREDITORS WHOSE CLAIMS HAVE MATURED. (1) Where a conveyance or obligation is fraudulent as to a creditor, such creditor, when his claim has matured, may, as against any person except a purchaser for fair consideration without knowledge of the fraud at the time of the purchase, or one who has derived title immediately or mediately from such a purchaser,

- (a) Have the conveyance set aside or obligation annulled to the extent necessary to satisfy his claim, or
- (b) Disregard the conveyance and attach or levy execution upon the property conveyed.

(2) A purchaser who without actual fraudulent intent has given less than a fair consideration for the conveyance or obligation, may retain the property or obligation as security for repayment.

Section 10. RIGHTS OF CREDITORS WHOSE CLAIMS HAVE NOT MATURED. Where a conveyance made or obligation incurred is fraudulent as to a creditor whose claim has not matured he may proceed in a court of competent jurisdiction against any person against whom he could have proceeded had his claim matured, and the court may,

- (a) Restrain the defendant from disposing of his property,
- (b) Appoint a receiver to take charge of the property,
- (c) Set aside the conveyance or annul the obligation, or
- (d) Make any order which the circumstances of the case may require.

Section 11. CASES NOT PROVIDED FOR IN ACT. In any case not provided for in this Act the rules of law and equity including the law merchant, and in particular the rules relating to the law of principal and agent, and the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy or other invalidating cause shall govern.

Section 12. CONSTRUCTION OF ACT. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Section 13. NAME OF ACT. This Act may be cited as the Uniform Fraudulent Conveyance Act.

Section 14. INCONSISTENT LEGISLATION REPEALED. All acts or parts of acts which are inconsistent with the provisions of this Act are hereby repealed.

Section 15. This Act shall take effect from and after its passage.

S.F. No. 9

Introduced to
Judiciary Committee

A B I L L

F O R

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Thereto.

Introduced Jan 16 19
Read first time Jan 16 19
Referred to Com. No. 1 Jan 16 19
Delivered to Printing Com.

Jan 16 19
Returned from Committee No. 19

Jan 17 19
Del'd to Com. No. 1 Jan 17 19

Returned from Com. No. 1
Jan 21 19

Recommended do pass
Placed on General file
Considered in committee of the
Whole

Recommended do Pass Jan 21 19
Committee report adopted

Jan 21, 19

Read second time
Ordered Engrossed for Third
Reading

Delivered to Com. No. 21
Jan 22 19

Returned from Committee No. 21

JAN 23 1929

Read third time

Passed. Ayes 21 Noes Absent 2 Ex 3

Sent to House JAN 23 1929

JAN 23 1929

JAN 24 1929

Read from Senate
Read first time
Referred to Com. #3
Ref. to Com. #3.

JAN 24 1929 *Referred to Com. #3*
Record. be amended as follows:

S. F. No. 9.

Strike out all Section titles printed in italics following Section numbers in bill.

Page 4, line 23, strike out the words "its passage" and insert in lieu thereof the words "June 1, 1929."

and in said line 23 after the word "eff" insert the word "and be" force"

and as so amended
Do Pass

JAN 25 1929

Considered in the Com. of the Whole and Standing Committee adopted
Record. Do Pass as amended.

JAN 26 1929 *Read 2nd time*
and placed on file for 3rd reading

JAN 28 1929 *Read third time*

Passed. Ayes 53 Nays 0 Absent 8 Ex. 8
Not Voting 1
Sent to Senate

Received from House JAN 28 1929
Several concurred in House Amendment
Referred to Com. No. 22 JAN 28 1929

Signed by Pres. Senate
Jan. 29 '29

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