

§ 28:6—107. The notice

- (1) The notice to creditors (section 28:6—105) shall state:
 - (a) that a bulk transfer is about to be made; and
 - (b) the names and business addresses of the transferor and transferee, and all other business names and addresses used by the transferor within three years last past so far as known to the transferee; and
 - (c) whether or not all the debts of the transferor are to be paid in full as they fall due as a result of the transaction, and if so, the address to which creditors should send their bills.
- (2) If the debts of the transferor are not to be paid in full as they fall due or if the transferee is in doubt on that point then the notice shall state further:
 - (a) the location and general description of the property to be transferred and the estimated total of the transferor's debts;
 - (b) the address where the schedule of property and list of creditors (section 28:6—104) may be inspected;
 - (c) whether the transfer is to pay existing debts and if so the amount of such debts and to whom owing;
 - (d) whether the transfer is for new consideration and if so the amount of such consideration and the time and place of payment.
- (3) The notice in any case shall be delivered personally or sent by registered or certified mail to all the persons shown on the list of creditors furnished by the transferor (section 28:6—104) and to all other persons who are known to the transferee to hold or assert claims against the transferor.

§ 28:6—108. Auction sales; "auctioneer"

- (1) A bulk transfer is subject to this article even though it is by sale at auction, but only in the manner and with the results stated in this section.
- (2) The transferor shall furnish a list of his creditors and assist in the preparation of a schedule of the property to be sold, both prepared as before stated (section 28:6—104).
- (3) The person or persons other than the transferor who direct, control or are responsible for the auction are collectively called the "auctioneer". The auctioneer shall:
 - (a) receive and retain the list of creditors and prepare and retain the schedule of property for the period stated in this article (section 28:6—104);
 - (b) give notice of the auction personally or by registered or certified mail at least ten days before it occurs to all persons shown on the list of creditors and to all other persons who are known to him to hold or assert claims against the transferor.
- (4) Failure of the auctioneer to perform any of these duties does not affect the validity of the sale or the title of the purchasers, but if the auctioneer knows that auction constitutes a bulk transfer such failure renders the auctioneer liable to the creditors of the transferor as a class for the sums owing to them from the transferor up to but not exceeding the net proceeds of the auction. If the auctioneer consists of several persons their liability is joint and several.

§ 28:6—109. What creditors protected

- (1) The creditors of the transferor mentioned in this article are those holding claims based on transactions or events occurring before the bulk transfer, but creditors who become such after notice to creditors is given (sections 28:6—105 and 28:6—107) are not entitled to notice.
- (2) (Omitted.)

§ 28:6—110. Subsequent transfers

When the title of a transferee to property is subject to a defect by reason of his non-compliance with the requirements of this article, then:

- (1) a purchaser of any of such property from such transferee who pays no value or who takes with notice of such non-compliance takes subject to such defect, but
- (2) a purchaser for value in good faith and without such notice takes free of such defect.

§ 28:6—111. Limitation of actions and levies

No action under this article shall be brought nor levy made more than six months after the date on which the transferee took possession of the goods unless the transfer has been concealed. If the transfer has been concealed, actions may be brought or levies made within six months after its discovery.