



**BERMUDA
1934 : 22**

BULK SALES ACT 1934

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SCHEDULE

Form of statement of creditors

[5 June 1934]

[preamble and words of enactment omitted]

Interpretation

- 1 In this Act, unless the context otherwise requires,—

"sale in bulk" includes any sale, transfer or conveyance of the stock or a part thereof out of the usual course of business or trade of the vendor, and any sale, transfer or conveyance of the entire stock in trade of the vendor, and any sale, transfer or conveyance actual or attempted of any interest in the vendor's business or trade;

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"stock" means any stock of goods, wares, and merchandise ordinarily the subject of trade and commerce, and the fixtures ordinarily used in connection with a business;

"trader" means any person who as his ostensible occupation or part thereof, buys and sells goods, wares and merchandise ordinarily the subject of trade and commerce, and includes a commission merchant and a manufacturer;

"vendor" includes a person who barter or exchanges stock in bulk for other property, real or personal, and "purchaser" includes a person who gives such property in barter or exchange.

Act does not apply to sales by wholesale traders, executors and certain other persons

2 (1) This Act shall not apply to any sale by executors, administrators, trustees in bankruptcy, receivers, persons acting under judicial process or traders selling exclusively by wholesale and to an exempted undertaking.

(2) In this section "exempted undertaking" has the meaning assigned to it in the Companies Act 1981 *[title 17 item 5]*.

[section 2 amended by 1992:51 effective 1 July 1992]

Purchase of stock in bulk; duties of vendor and purchaser

3 Every person who bargains for, buys or purchases any stock in bulk for cash or on credit, shall before closing the purchase of the same, and before paying to the vendor any part of the purchase price, or giving any promissory note or security for the purchase price, demand and receive from the vendor, and the vendor shall furnish, within five days of demand, a written statement in the form set out in the Schedule verified by affidavit of the vendor, or his agent, or if the vendor is a body corporate, by an affidavit of the president, vice-president, secretary-treasurer, or manager of such body corporate, which statement shall contain the names and addresses of all the vendor's creditors together with the amount of the indebtedness or liability due and owing or to become due and owing by the vendor to each of the creditors, and the purchaser, within five days of the receipt of such affidavit, shall notify by prepaid registered letter, each creditor of his intended purchase.

Agreement for purchase of stock in bulk and inventory to be filed in Registry

4 Any agreement for any sale in bulk shall be in writing and shall contain an inventory of the things so sold or to be sold and such agreement shall be filed within ten days in the Registry, and no part of the purchase price shall be paid or any promissory note or security for the said purchase price be delivered within thirty days from the execution of such agreement.

Sale deemed to be fraudulent in default of compliance with requirements of Act

5 Whenever any person bargains for a purchase of stock in bulk, for cash or on credit, and pays any part of the purchase price, or executes delivery to the vendor, or to his order or to any person for his use, any promissory note or other document for or on account of the purchase price without first having demanded and obtained from the vendor or his agent such affidavit as is provided for in section 3, or if an agreement is not filed as provided in section 4, then such sale shall be deemed to be fraudulent and shall be absolutely void as against the creditors of the vendor unless the proceeds of such sale are sufficient to pay the creditors of the vendor in full, and are in fact so applied.

Burden of proof on purchaser

6 (1) In any action, issue or proceedings when a sale in bulk is attacked, the burden of proof that the provisions of this Act have been complied with by the purchaser rests upon him.

(2) Every action, issue and proceeding under this Act shall be determined by the Supreme Court.

Limitation of actions

7 No action shall be had or proceedings taken to set aside or have declared void any sale in bulk for failure to comply with the provisions of this Act unless such action is brought or proceedings are taken within sixty days from the date when the creditor attacking such sale first had notice thereof

Swearing of affidavit

8 An affidavit under this Act may be sworn before any Commissioner for administering oaths and affidavits in the Supreme Court or before any Notary Public or Justice of the Peace.

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SCHEDULE

FORM OF STATEMENT OF CREDITORS

Statement showing names and addresses of all creditors of

[*name and address of vendor*]

Name of creditor
Address
Nature of indebtedness
Amount
When due

I, (*vendor's name in full*) of (*name of parish*) Parish in Bermuda make oath and say that the above is a true and correct statement of the names and addresses of all my creditors, and shows correctly the amount of the indebtedness and liability due, owing, payable or accruing due or to become due or payable by me to each of the said creditors.

(*Signature of vendor.*)

Sworn before me by the
above named (*vendor's
name in full*) this (*date
in figures*) day of
(*month*) 19 .

(*Signature of
Commissioner for Oaths, Notary Public or Justice of the Peace.*)

[*Amended by
1992 : 51*]