

as a security for a pre-existing debt or demand from such agent or factor, knowing him to be such, but with such notice such person or body corporate shall only acquire the right or interest therein which was possessed by such agent or factor at the time of the deposit or pledge; but if such person or body corporate shall have notice that such agent or factor had no authority from his principal to pledge or deposit the same or to part with the possession thereof, in such case such person or body corporate shall acquire no right or interest therein.

1904, art. 2, sec. 7. 1888, art. 2, sec. 7. 1860, art. 3, sec. 7.
1825, ch. 182, sec. 7.

7. In all cases where an agent or factor shall have made a contract for the sale of goods, wares or merchandise, or shall have delivered the same in pursuance of any such contract to any person or body corporate, and shall, before the payment of the purchase money for the same, have become insolvent, the principal or owner of the said goods may demand and receive the said purchase money from the person or body corporate indebted therefor, and such person or body corporate shall have no benefit of set-off in any action which may be brought for the recovery of the same, unless such claim or set-off shall have arisen in a course of dealing with the said agent or factor acting as such for the same principal or owner, or from previous advances of money or materials found, or work or labor done for the use or advantage of the said principal or owner.

This section was intended to apply to cases of sales made by agents known to be acting as such, and does not restrict the right of set-off in cases of sales made by agents supposed to be acting as principals. This section held to have no application. *Miller v. Lea*, 35 Md. 408.

As to pleading "set-off," see art. 75, sections 12 and 13.

Ibid. sec. 8. 1888, art. 2, sec. 8. 1860, art. 3, sec. 8. 1825, ch. 182, sec. 8.

8. In no case shall any claim or demand of set-off of a debt due by any agent or factor be allowed against his principal in favor of any person or body corporate receiving goods, wares or merchandise as aforesaid, in pursuance of a contract of sale or in deposit or pledge, unless such person or body corporate shall have contracted for or received the same on deposit or pledge, without knowledge that such agent or factor had no authority to sell or deposit the same.

Ibid. sec. 9. 1888, art. 2, sec. 9. 1860, art. 3, sec. 9. 1825, ch. 182, sec. 6.

9. The owner of any such goods, wares or merchandise in the hands of an agent or factor, unsold and not pledged, may demand and recover the same from such agent or factor, or the trustee of such agent or factor in the event of his insolvency, and in preference to all other creditors of such agent or factor.

Ibid. sec. 10. 1888, art. 2, sec. 10. 1860, art. 3, sec. 10. 1825, ch. 182, sec. 6.

10. The said owner may also recover from any person or body corporate the sum agreed to be paid for the purchase of such goods, wares or merchandise, subject, however, to the same right of set-off on the part of such person or body corporate, against such agent or factor as