

ARTICLE 39B.

FRAUDULENT CONVEYANCES.¹

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| <ol style="list-style-type: none"> 1. Definition of terms. 2. Insolvency. 3. Fair consideration. 4. Conveyances by insolvent. 5. Conveyances by persons in business. 6. Conveyances by persons about to incur debts. 7. Conveyances made with intent to defraud. | | <ol style="list-style-type: none"> 8. Conveyances of partnership property. 9. Rights of creditors whose claims have matured. 10. Rights of creditors whose claims have not matured. 11. Cases not provided for in act. 12. Construction. 13. Name of act. 14. Inconsistent legislation repealed. |
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1920, ch. 395, sec. 1.

1. (Definition of Terms.) In this Article "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.

1920, ch. 395, sec. 2.

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.

¹ As to sales in bulk, see art. 83, secs. 19, *et seq.*, and 100, *et seq.*

As to insolvents, see art. 47.

As to conveyances from husband to wife, see art. 45, secs. 1 and 2.

As to fraud, as a crime, see art. 27, sec. 152, *et seq.*