

thereby. If, however, the bill of lading provides that the goods are deliverable to the buyer or to the order of the buyer, or is indorsed in blank, or to the buyer, by the consignee named therein, one who purchases in good faith, for value, the bill of lading, or goods from the buyer, will obtain the property in the goods, although the bill of exchange has not been honored; provided, that such purchaser has received delivery of the bill of lading, indorsed by the consignee named therein, or of the goods, without notice of the facts making the transfer wrongful.

Unless it appears that the *only* purpose of the seller in taking bill of lading in his own name and sending it with draft attached, etc., was to secure performance of contract by buyer, the form of bill cannot be interpreted as intended only for such purpose. Seller held to have reserved both property in goods and right of possession thereof. Remedies of a seller upon buyer's refusal to accept goods. Where seller reserves property in goods by sending draft with bill of lading attached, and buyer declines to pay draft, whereupon seller leaves goods on dock and they are stored in a warehouse and there destroyed by fire, loss falls on seller. *Rylance v. Walker*, 129 Md. 481.

Prior to adoption of this section it had been uniformly held in Maryland that contracts of sale wherein vendor reserves title to property until contract price was paid were valid between vendor and vendee and as to all persons claiming under latter with notice, but that they were not binding as to *bona fide* purchasers without notice. *Praeger v. Implement Co.*, 122 Md. 308; *Stem v. Crawford*, 133 Md. 588.

This section referred to—see notes to secs. 39 and 40. *Agri. Mfg. Co. v. Atlantic Fertilizer Co.*, 129 Md. 47.

This section and sec. 43 held not to affect obligation of seller under a contract to deliver sugar to purchaser. *Edgar v. Imperial Ice Cream Co.*, 139 Md. 642.

See art. 14, sec. 41, and notes to sec. 25 (this article).

An. Code, sec. 42. 1910, ch. 346, sec. 39 (p. 279).

42. In the case of sale by auction:

(1) Where goods are put up for sale by auction in lots, each lot is the subject of a separate contract of sale.

(2) A sale by auction is complete when the auctioneer announces its completion by the fall of the hammer, or in other customary manner. Until such announcement is made, any bidder may retract his bid; and the auctioneer may withdraw the goods from sale, unless the auction has been announced to be without reserve.

(3) A right to bid may be reserved expressly by or on behalf of the seller.

(4) Where notice has not been given that a sale by auction is subject to a right to bid on behalf of the seller it shall not be lawful for the seller to bid himself or to employ or induce any person to bid at such sale on his behalf, or for the auctioneer to employ or induce any person to bid at such sale on behalf of the seller, or knowingly to take any bid from the seller or any person employed by him. Any sale contravening this rule may be treated as fraudulent by the buyer.

An. Code, sec. 43. 1910, ch. 346, sec. 40 (p. 280).

43. Unless otherwise agreed, the goods remain at the seller's risk until the property therein is transferred to the buyer, but when the property therein is transferred to the buyer the goods are at the buyer's risk, whether delivery has been made or not, except that: