

**New section.** Article 23 of the Code of Public General Laws, title "Corporations," sub-title "Dissolution of Corporations," to follow section 264, to be designated as "Section 264 A," and to read as follows:

**Unlawful conveyances by insolvent corporations.**

264 A. Whenever any corporation mentioned in section 264 of this article other than railroad companies chartered by this State, shall have been determined or proven to be insolvent, as in said section 264 stated, all payments, conveyances and assignments of the money, property, debts or claims of said corporation and all preferences, howsoever made by it or by any of its officers on its behalf which would be void or fraudulent if the same had been made by a natural person who had become an insolvent under Article 47 of the Code of Public General Laws, shall, to the like extent and with like remedies, be fraudulent and void when made by such corporation or by any of its officers on its behalf, and whenever any such corporation shall have been adjudged to be dissolved as provided in the next preceding section of this article, all of its property and assets of every description shall be distributed to the creditors of said corporation in the same manner that the property and assets of an insolvent debtor are distributed under the provisions of Article 47 of the Code of Public General Laws, but no discharge shall be granted to the said corporation, and the receiver of such corporation shall have the same power and authority to maintain suits and proceedings, to set aside preferences and void or fraudulent transfers and payments, conveyances and assignments by said corporation or by any of its officers on its behalf in the same manner and to the same extent as the permanent trustee of an insolvent debtor has under Article 47 of the Code of Public General Laws, in reference to preferences and void or fraudulent transfers, payments, conveyances and assignments, when made by a natural person who has become an insolvent debtor, and the date of the filing of the bill against such corporation, upon which it may be dissolved, shall be taken and treated for the purpose of determining the validity of preferences and for all other purposes as the date of the filing of the petition in insolvency by or against a natural person.

**Effective.**

SEC. 2. *And be it further enacted,* That this act shall take effect from the date of its passage.

Approved April 4, 1896.