

(c) A purchaser in good faith and for value from an entruster in possession takes free of the trustee's interest, even in a case in which the entruster is liable to the trustee for conversion.

(4) Surrender of the trustee's interest to the entruster shall be valid, or any terms upon which the trustee and the entruster may, after default, agree.

(5) As to articles manufactured by style or model, the terms of the trust receipt may provide for forfeiture of the trustee's interest, at the election of the entruster, in the event of the trustee's default, against cancellation of the trustee's then remaining indebtedness; provided that in the case of the original maturity of such an indebtedness there must be cancelled not less than 80% of the purchase price to the trustee, or of the original indebtedness, whichever is greater; or, in the case of a first renewal, not less than 70%, or, in the case of a second or further renewal, not less than 60%.

7. (General Effect of Entruster's Filing or Taking Possession.)

(1) (a) If the entruster within the period of thirty days specified in sub-section (1) of Section 8 files as in this Article provided, such filing shall be effective to preserve his security interest in documents or goods against all persons, save as otherwise provided by Sections 8, 9, 10, 11, 14 and 15 of this Article.

(b) Filing after the lapse of the said period shall be valid; but in such event, save as provided in sub-division

(2) (b) of Section 9, the entruster's security interest shall be deemed to be created by the trustee as of the time of such filing, without relation back, as against all persons not having notice of such interest.

(2) The taking of possession by the entruster shall, so long as such possession is retained, have the effect of filing, in the case of goods or documents; and of notice of the entruster's security interest to all persons, in the case of instruments.

8. (Validity Against Creditors.)

(1) The entruster's security interest in goods, documents or instruments under the written terms of a trust receipt transaction, shall without any filing be valid as against all creditors of the trustee, with or without notice, for thirty days after delivery of the goods, documents or instruments to the trustee, and thereafter except as in this Article otherwise provided.