

after Section 20 of said Article, said new sub-title to be known as "Factors' Liens", and said new sections to be numbered, respectively, 21, 22, 23, 24, 25, 26, 27 and 28, defining the terms "factor", "merchandise" and "borrower", providing for a continuing general lien of factors on merchandise and the proceeds of the sale thereof and the manner in which such liens shall be created and recorded or notice thereof placed on record, and providing further that this sub-title shall be construed as providing an additional method for financing the manufacture, processing or sale of merchandise, and is not to be construed as affecting the validity of liens heretofore or hereafter acquired as security for the financing of the manufacturing or processing or sale of merchandise under the provisions of other sub-titles of this Article, the provisions of any other statute of this State or under the provisions of the common law in effect in this State.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That a new sub-title and eight (8) new sections be, and the same are hereby added to Article 2 of the Annotated Code of Maryland (1939 Edition), title "Agents and Factors", to follow immediately after Section 20 of said Article, said new sub-title to be known as "Factors' Liens", and said new sections to be numbered, respectively, 21, 22, 23, 24, 25, 26, 27 and 28, and to read as follows:

#### FACTORS' LIENS.

21. The term "factor", wherever used in this sub-title of this Article, shall mean persons, firms, banks, and other corporations, and their successors in interest, engaged, in whole or in part, in the business of lending or advancing money on the security of merchandise, or the proceeds of sale thereof, whether or not they are employed to sell such merchandise. The term "merchandise" wherever used in this sub-title of this Article, shall mean any personal property intended for sale, whether or not after further manufacturing or processing, and does not include fixtures or other trade or manufacturing equipment of any borrower. The term "borrower" whenever used in this sub-title of this Article, shall mean the owner of merchandise, or his agent, who creates a lien in favor of a factor.

22. If so provided by any written agreement with the borrower, a factor shall have a continuing general lien upon all merchandise described in such agreement or memoranda thereof, or if so provided in said agreement, all merchandise from time to time designated in separate written statements,