

proximately one and one-half hours may be devoted in the schools of this state for instruction and appropriate exercises relative to the life of Frances Willard and to the principles and ideals she fostered.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 20, 1921.

CHAPTER 415—S. F. No. 327.

An act concerning fraudulent conveyances and to make uniform the law relating thereto.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Definition of Terms.**—In this act "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.

Sec. 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.

Sec. 3. **Fair Consideration.**—Fair consideration is given for property, or obligation,

(a) When in exchange for such property, or obligation, as a fair equivalent therefor, and in good faith, property is conveyed or an antecedent debt is satisfied, or

(b) When such property, or obligation is received in good faith to secure a present advance or antecedent debt in amount not disproportionately small as compared with the value of the property, or obligation obtained.

Sec. 4. Conveyance by Insolvent.—Every conveyance made and every obligation incurred by a person who is or will be thereby rendered insolvent is fraudulent as to creditors without regard to his actual intent if the conveyance is made or the obligation is incurred without a fair consideration.

Sec. 5. Conveyances by Persons in Business.—Every conveyance made without fair consideration when the person making it is engaged or is about to engage in a business or transaction for which the property remaining in his hands after the conveyance is an unreasonably small capital, is fraudulent as to creditors and as to other persons who become creditors during the continuance of such business or transaction without regard to his actual intent.

Sec. 6. Conveyance by a Person about to Incur Debts.—Every conveyance made and every obligation incurred without fair consideration when the person making the conveyance or entering into the obligation intends or believes that he will incur debts beyond his ability to pay as they mature, is fraudulent as to both present and future creditors.

Sec. 7. Conveyance Made with Intent to Defraud.—Every conveyance made and every obligation incurred with actual intent, as distinguished from intent presumed in law, to hinder, delay, or defraud either present or future creditors, is fraudulent as to both present and future creditors.

Sec. 8. Conveyance of Partnership Property.—Every conveyance of partnership property and every partnership obligation incurred when the partnership is or will be thereby rendered insolvent, is fraudulent as to partnership creditors, if the conveyance is made or obligation is incurred.

(a) To a partner, whether with or without a promise by him to pay partnership debts, or

(b) To a person not a partner without fair consideration to the partnership as distinguished from consideration to the individual partners.

Sec. 9. Rights of Creditors Whose Claims Have Matured.—(1) Where a conveyance or obligation is fraudulent as to a creditor, such creditor, when his claim has matured, may, as against any person except a purchaser for fair consideration without knowledge of the fraud at the time of the purchase, or one who has derived title immediately or mediately from such a purchaser.

(a) Have the conveyance set aside or obligation annulled to the extent necessary to satisfy his claim, or

(b) Disregard the conveyance and attach or levy execution upon the property conveyed.

(2) A purchaser who without actual fraudulent intent has given less than a fair consideration for the conveyance or obligation, may retain the property or obligation as security for repayment.

Sec. 10. Rights of Creditors Whose Claims Have Not Ma-

tured.—Where a conveyance made or obligation incurred is fraudulent as to a creditor whose claim has not matured he may proceed in a court of competent jurisdiction against any person against whom he could have proceeded had his claim matured, and the court may,

- (2) Restrain the defendant from disposing of his property,
- (b) Appoint a receiver to take charge of the property,
- (c) Set aside the conveyance or annul the obligation, or
- (d) Make any order which the circumstances of the case may require.

Sec. 11. Cases Not Provided for in Act.—In any case not provided for in this Act the rules of law and equity including the law merchant, and in particular the rules relating to the law of principal and agent, and the effect of fraud, misrepresentation, duress or coercion, mistake, bankruptcy or other invalidating cause shall govern.

Sec. 12. Construction of Act.—This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Sec. 13. Name of Act.—This act may be cited as the Uniform Fraudulent Conveyance Act.

Sec. 14. Inconsistent Legislation Repealed.—Sections 7010 and 7013 of General Statutes, 1913, are hereby repealed, and all acts or parts of acts inconsistent with this Act are hereby repealed; but sections 7011, 7012, 7017 and 7018 of General Statutes, 1913, are not repealed.

Sec. 15. This act shall take effect on the first day of January, one thousand nine hundred and twenty-two.

Approved April 20, 1921.

CHAPTER 416—H. F. No. 498.

An act providing for the assessment and taxation of the shares of stock of banks organized under the laws of the United States and the moneyed capital of banks and mortgage loan companies organized under the laws of this State, and repealing Sections 2017 and 2020, General Statutes of 1913, and other acts inconsistent herewith.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Assessment of bank stock.—The shares of stock of every bank in this State organized under the laws of the United States, and the moneyed capital of every bank or mortgage loan company organized under the laws of this State shall be assessed and taxed at forty (40) per cent of the true and full value thereof in the city, village, town or district where such bank or mortgage loan company is located.