

NEW ZEALAND.

ANNO VICESIMO QUARTO ET VICESIMO QUINTO

VICTORIÆ REGINÆ.

No. 3.

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AN ACT to amend the Law relating to Advances *bona fide* made to Agents intrusted with Goods. [15th July 1861.]

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled and by the authority of the same as follows

I. The Short Title of this Act shall be the "Advances to Agents Act 1861."

Short Title.

II. In construing this Act the word "Person" shall be taken to designate a Body Corporate or Company as well as an Individual.

Interpretation of Act.

III. Any Agent who shall hereafter be entrusted with the possession of goods or of the documents of title to goods shall be deemed and taken to be the owner of such goods and documents so far as to give validity to any contract or agreement by way of pledge lien or security *bona fide* made by any person with such Agent so intrusted as aforesaid as well for any original loan advance or payment made upon the security of such goods or documents as also for any further or continuing advance in respect thereof and such contract or agreement shall be binding upon and good against the owner of such goods and all other persons interested therein notwithstanding the person claiming such pledge or lien may have had notice that the person with whom such contract or agreement is made is only an agent.

Bona fide advances to persons intrusted with the possession of Goods or Documents of title though known to be agents protected.

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Bona fide deposits in exchange protected.

IV. Where any such contract or agreement for pledge lien or security shall be made in consideration of the delivery or transfer to such agent of any other goods or merchandize or document of title or negotiable security upon which the person so delivering up the same had at the time a valid and available lien and security for or in respect of a previous advance by virtue of some contract or agreement made with such agent such contract and agreement if *bona fide* on the part of the person with whom the same may be made shall be deemed to be a contract made in consideration of an advance within the true intent and meaning of this Act and shall be as valid and effectual to all intents and purposes and to the same extent as if the consideration for the same had been a *bona fide* present advance of money Provided always that the lien acquired under such lastmentioned contract or agreement upon the goods or documents deposited in exchange shall not exceed the value at the time of the goods and merchandize which or the documents of title to which or the negotiable security which shall be delivered up and exchanged.

but no lien beyond the value of the goods given up.

The Act to be construed to protect only transactions *bona fide* without notice that the agent pledging is acting without authority or *mala fide* against the owner.

V. Provided always that this Act and every matter and thing herein contained shall be deemed and construed to give validity to such contracts and agreements only and to protect only such loans advances and exchanges as shall be made *bona fide* and without notice that the Agent making such contracts or agreements as aforesaid has not authority to make the same or is acting *mala fide* in respect thereof against the owner of such goods and merchandize and nothing herein contained shall be construed to extend to or protect any lien or pledge for or in respect of any antecedent debt owing from any agent to any person with or to whom such lien or pledge shall be given nor to authorize any agent intrusted as aforesaid in deviating from any express orders or authority received from the owner but that for the purpose and to the intent of protecting all such *bona fide* loans advances and exchanges as aforesaid though made with notice of such agent not being the owner but without any notice of the agent's acting without authority and to no further or other intent or purpose such contract or agreement as aforesaid shall be binding on the owner and all other persons interested in such goods.

Meaning of the term "document of title."

VI. Any bill of lading dock-warrant warehouse keeper's certificate warrant or order for the delivery of goods or any other document used in the ordinary course of business as proof of the possession or control of goods for authorising or purporting to authorize either by endorsement or by delivery the possessor of such document to transfer or receive goods thereby represented shall be deemed and taken to be a document of title within the meaning of this Act and any agent intrusted as aforesaid and possessed of any such document of title whether derived immediately from the owner of such goods or obtained by reason of such agent's having been intrusted with the possession of the goods or of any other document of title thereto shall be deemed and taken to have been entrusted with the possession of the goods represented by such document of title as aforesaid and all contracts pledging or giving a lien upon such document of title as aforesaid shall be deemed and taken to be respectively pledges of and liens upon the goods

And when agent intrusted.

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to which the same relates and such agent shall be deemed to be possessed of such goods or documents whether the same shall be in his actual custody or shall be held by any other person subject to his control or for him or on his behalf and where any loan or advance shall be *bona fide* made to any agent intrusted with and in possession of any such goods or documents of title as aforesaid on the faith of any contract or agreement in writing to consign deposit transfer or deliver such goods or documents of title as aforesaid and such goods or documents of title shall actually be received by the person making such loan or advance without notice that such agent was not authorized to make such pledge or security every such loan or advance shall be deemed and taken to be a loan or advance on the security of such goods or documents of title within the meaning of this Act though such goods or documents of title shall not actually be received by the person making such loan or advance till the period subsequent thereto and any contract or agreement whether made direct with such agent as aforesaid or with any clerk or other person on his behalf shall be deemed a contract or agreement with such agent and any payment made whether by money or bills of exchange or other negotiable security shall be deemed and taken to be an advance within the meaning of this Act and an agent in possession as aforesaid of such goods or documents shall be taken for the purposes of this Act to have been intrusted therewith by the owner thereof unless the contrary can be shown in evidence.

And when in possession.

What to be deemed a "contract or agreement" and advance."

Possession *prima facie* evidence of intrusting.

VII. Nothing herein contained shall lessen vary alter or affect the civil responsibility of an agent for any breach of duty or contract or non-fulfilment of his orders or authority in respect of any such contract agreement lien or pledge as aforesaid.

Agents' civil responsibility not to be diminished.

VIII. If any agent intrusted as aforesaid shall contrary to or without the authority of his principal in that behalf for his own benefit and in violation of good faith make any consignment deposit transfer or delivery of any goods or documents of title so intrusted to him as aforesaid as and by way of a pledge lien or security or shall contrary to or without such authority for his own benefit and in violation of good faith accept any advance on the faith of any contract or agreement to consign deposit transfer or deliver such goods or documents of title as aforesaid every such agent shall be deemed guilty of a misdemeanor and being convicted thereof shall be sentenced to penal servitude for any term not exceeding ten years or to suffer such other punishment by fine or imprisonment or by both as the Court shall award and every clerk or other person who shall knowingly and wilfully act and assist in making any such consignment deposit transfer or delivery or in accepting or procuring such advance as aforesaid shall be deemed guilty of a misdemeanor and being convicted thereof shall be liable at the discretion of the Court to any of the punishments which the Court shall award as hereinbefore lastmentioned Provided nevertheless that no such agent shall be liable to any prosecution for consigning depositing transferring or delivering any such goods or documents of title in case the same shall not be made a security for or subject to the payment of any greater sum of money than the amount which at the time of such consignment deposit transfer or delivery was

Agent making consignments contrary to instruction of principal guilty of misdemeanor.

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justly due and owing to such agent from his principal together with the amount of any bills of exchange drawn by or on account of such principal and accepted by such agent Provided also that the conviction of any such agent so convicted as aforesaid shall not be received in evidence in any action against him and no agent intrusted as aforesaid shall be liable to be convicted by any evidence whatever in respect of any act done by him if he shall at any time previously to his being indicted for such offence have disclosed such act on Oath in consequence of any compulsory process of any Court in any action or proceeding which shall have been *bona fide* instituted by any party aggrieved or if he shall have disclosed the same in any examination or deposition before any Judge or Registrar in Bankruptcy,

Right of owner to redeem;

Or to recover balance of proceeds.

In case of bankruptcy owner to prove for amount paid to redeem or for value of goods if unredeemed.

Not to affect any contract made before the passing of this Act.

IX. Nothing herein contained shall prevent such owner as aforesaid from having the right to redeem such goods or documents of title pledged as aforesaid at any time before such goods shall have been sold upon repayment of the amount of the lien thereon or restoration of the securities in respect of which such lien may exist and upon payment or satisfaction to such agent if by him required of any sum of money for or in respect of which such agent would by law be entitled to retain the same goods or documents or any of them by way of lien as against such owner or to prevent the said owner from recovering of and from such person with whom any such goods or documents may have been pledged or who shall have any such lien thereon as aforesaid any balance or sum of money remaining in his hands as the produce of the sale of such goods after deducting the amount of the lien of such person under such contract or agreement as aforesaid Provided always that in case of the bankruptcy of any such agent the owner of the goods which shall have been so redeemed by such owner as aforesaid shall in respect of the sum paid by him on account of such agent for such redemption be held to have paid such sum for the use of such agent before his bankruptcy or in case the goods shall not be so redeemed the owner shall be deemed a creditor of such agent for the value of the goods so pledged at the time of the pledge and shall if he shall think fit be entitled in either of such cases to prove for or set off the sum so paid or the value of such goods as the case may be.

X. Nothing herein contained shall be construed to give validity to or in anywise to affect any contract agreement lien pledge or other act matter or thing made or done before the passing of this Act.