

Hon. Mr. Lee.

## CHATELS TRANSFER AMENDMENT.

### ANALYSIS.

Title.

1. Short Title.

2. Unregistered instrument not to affect *bona fide* purchaser for value without notice.

3. Section 26 of principal Act amended.

4. Further provision as to security given over wool.

### A BILL INTITULED

AN ACT to amend the Chattels Transfer Act, 1908.

Title.

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

1. This Act may be cited as the Chattels Transfer Amendment Act, 1922, and shall be read together with and deemed part of the Chattels Transfer Act, 1908 (hereinafter referred to as the principal Act).

Short Title.

2. Section sixteen of the principal Act is hereby amended by repealing subsection three, and substituting the following:—

Unregistered instrument not to affect *bona fide* purchaser for value without notice.

“(3.) Upon the expiration of the time or extended time for registration, no instrument comprising any chattels whatsoever shall, without express notice, be valid and effectual as against any purchaser or mortgagee for valuable consideration, or as against any person *bona fide* selling or dealing with such chattels as auctioneer or dealer or agent in the ordinary course of his business unless such instrument is duly registered under this Act.”

3. Section twenty-six of the principal Act is hereby amended by adding the words “whether or not such stock may afterwards be removed therefrom.”

Section 26 of principal Act amended.

4. If under any instrument by way of security, heretofore or hereafter registered under the principal Act, the grantee thereof shall from time to time be entitled to require the grantor to execute and give to such grantee an instrument by way of security over the wool growing or to grow upon the sheep for the time being subject to such instrument, then and in such case the grantee shall, during the subsistence of the registration of such first-mentioned instrument, be deemed, notwithstanding the provisions of section

Further provision as to security given over wool.

thirty-four of the principal Act, to possess a lien or security over such clip in terms of the covenant in that behalf in the same degree and manner as if such instrument of security had been actually executed by the grantor and registered under the principal Act, and such lien or security shall have the consequences mentioned in section thirty-five of the principal Act. 5