

FACTORS ACT
Act of Apr. 14, 1834, P.L. 375, No. 167
AN ACT

Cl. 12

For the amendment of the law relating to Factors.

Section 1. Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, That whenever any person entrusted with merchandize, and having authority to sell or consign the same, shall ship or otherwise transmit the same to any other person, such other person shall have a lien thereon--

I. For any money advanced or negotiable security given by him on the faith of such consignment, to or for the use of the person in whose name such merchandize was shipped or transmitted.

II. For any money or negotiable security received for the use of such consignee by the person in whose name such merchandize was shipped or transmitted.

Section 2. But such lien shall not exist for any of the purposes aforesaid, if such consignee shall have notice by the bill of lading or otherwise, before the time of such advance or receipt, that the person in whose name such merchandize was shipped or transmitted is not the actual owner thereof.

Section 3. Whenever any consignee or factor, having possession of merchandize, with authority to sell the same, or having possession of any bill of lading, permit, certificate, receipt or order, for the delivery of merchandize, with the like authority, shall deposit or pledge such merchandize, or any part thereof, with any other person, as a security for any money advanced or negotiable instrument given by him on the faith thereof; such other person shall acquire by virtue of such contract the same interest in and authority over the said merchandize, as he would have acquired thereby if such consignee or factor had been the actual owner thereof: Provided, That such person shall not have notice by such document or otherwise before the time of such advance or receipt, that the holder of such merchandize or document is not the actual owner of such merchandize.

Section 4. If any person shall accept or take such merchandize or document from any such consignee or factor, in deposit or pledge for any debt or demand previously due by or existing against such consignee or factor, and without notice as aforesaid, and if any person shall accept or take such merchandize or document from any such consignee or factor in deposit or pledge, with notice or knowledge that the person making such deposit or pledge is a consignee or factor only, in every such case the person accepting or taking such merchandize or document in deposit or pledge, shall acquire the same right and interest in such merchandize as was possessed or could have been enforced by such consignee or factor against his principal at the time of making such deposit or pledge, and no further or other right or interest.

Section 5. Nothing in this act contained, shall be construed or taken

I. To affect any lien which a consignee or factor may possess at law, for the expenses and charges attending the shipment or transmission and care of merchandize consigned, or otherwise entrusted to him.

II. Nor to prevent the actual owner of merchandize from recovering the same from such consignee or factor, before the same shall have been deposited or pledged as aforesaid, or from the assignees or trustees of such consignee or factor, in the event of his insolvency.

III. Nor to prevent such owner from recovering any merchandize so as aforesaid deposited or pledged, upon tender of the money, or of restoration of any negotiable instrument so advanced, or given to such consignee or factor, and upon tender of such further sum of money, or of restoration of such other negotiable instrument, if any, as may have been advanced or given by such consignee or factor to such owner, or on tender of a sum of money equal to the amount of such instrument.

IV. Nor to prevent such owner from recovering, from the person accepting or taking such merchandize in deposit or pledge, any balance or sum of money remaining in his hands as the produce of the sale of such merchandize, after deducting thereout the amount of money or the negotiable instrument so advanced or given upon the security thereof, as aforesaid.

Section 6. (6 repealed Mar. 31, 1860, P.L.427, No.375)