

TITLE 5: UNIFORM COMMERCIAL CODE
DIVISION 6: BULK TRANSFERS

§ 6108. Auction Sales; “Auctioneer.”

(1) A bulk transfer is subject to this division even though it is by sale at auction, but only in the manner and with the results stated in this section.

(2) The transferor shall furnish a list of his creditors and assist in the preparation of a schedule of the property to be sold, both prepared as before stated (5 CMC § 6104).

(3) The person or persons other than the transferor who direct, control or are responsible for the auction are collectively called the “auctioneer.” The auctioneer shall:

(a) Receive and retain the list of creditors and prepare and retain the schedule of property for the period stated in this division (5 CMC § 6104);

(b) Give notice of the auction personally or by registered or certified mail at least 10 days before it occurs to all persons shown on the list of creditors and to all other persons who are known to him to hold or assert claims against the transferor.

(4) Failure of the auctioneer to perform any of these duties does not affect the validity of the sale or the title of the purchasers, but if the auctioneer knows that the auction constitutes a bulk transfer such failure renders the auctioneer liable to the creditors of the transferor as a class for the sums owing to them from the transferor up to but not exceeding the net proceeds of the auction. If the auctioneer consists of several persons their liability is joint and several.

Source: PL 3-56, § 1 (§ 6108).