

Introduced: 4/7/69
Referred: Commerce and
Judiciary

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 HOUSE BILL NO. 362

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE -- FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to consumer sales."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 45.05.726(a) is amended to read:

9 (a) Subject to the provisions of (c) and (d) of this section

10 [A STATUTE OR DECISION WHICH ESTABLISHES A DIFFERENT RULE FOR BUYERS OF
11 CONSUMER GOODS], an agreement by a buyer that he will not assert against
12 an assignee a claim or defense which he may have against the seller is
13 enforceable by an assignee who takes his assignment for value, in good
14 faith, and without notice of a claim or defense, except as to defenses
15 of a type which may be asserted against a holder in due course of a
16 negotiable instrument under secs. 246 - 402 of this chapter. A buyer
17 who as part of one transaction signs both a negotiable instrument and a
18 security agreement makes such an agreement.

19 * Sec. 2. AS 45.05.726 is amended by adding new subsections to read:

20 (c) No agreement by a person who buys consumer goods from a
21 merchant ordinarily engaged in the sale of consumer goods is valid or en-
22 forceable by the seller or an assignee, to the extent that the agreement
23 purports to constitute a waiver by the buyer of any claims or defenses
24 which he may have against a party arising out of the sale of the goods.
25 The execution, by a person who buys consumer goods from a merchant
26 ordinarily engaged in the sale of consumer goods, of both a negotiable
27 instrument and a security agreement as a part of one transaction, does
28 not constitute a waiver by the buyer of any claims or defenses against
29 the seller or an assignee.

1 (d) Except in the case of a draft payable immediately or of an
2 instrument payable upon demand which otherwise constitutes a negotiable
3 instrument in the hands of a holder in due course under secs. 246 - 402
4 of this chapter, an assignee of commercial paper given by a buyer in
5 consideration of the sale of or promise to sell consumer goods by a
6 merchant ordinarily engaged in the sale of consumer goods, or a sub-
7 sequent assignee, is not a holder in due course of the commercial paper
8 if

9 (1) at the time of taking the instrument the assignee knew it
10 to have been executed in consideration of the sale of or promise to sell
11 consumer goods;

12 (2) the instrument on its face or by reference to other docu-
13 ments demonstrates it to have been executed in consideration of the sale
14 of or promise to sell consumer goods; or

15 (3) at the time of taking the instrument the assignee knew or
16 with due diligence could have determined that the payee was a person
17 ordinarily engaged in the sale of consumer goods.
18
19
20
21
22
23
24
25
26
27
28
29