

## STATE OF SABAH

### BILLS OF SALE ORDINANCE (Sabah Cap. 14)

#### LIST OF AMENDMENTS

<i>Amending law</i>	<i>Sections amended</i>	<i>Effective date of amendment</i>
L.N. 451/1964	7	17-12-1964

*To establish the law relating to bills of sale.*

[5th October, 1936.]

#### **Short title.**

1. This Ordinance may be cited as the Bills of Sale Ordinance.

#### **Definition.**

2. In this Ordinance a “bill of sale” means an instrument in writing whereby in order to secure the payment of money one transfers to another the property he has in personal chattels, used in cases where possession is not intended to be given:

Provided that it shall not include any mortgages or debentures issued by any incorporated company and secured upon the stock of goods of such company.

#### **Registration and attestation.**

3. No bill of sale shall be valid as such unless —
  - (a) it is registered in the manner prescribed by section 83 of the Stamp Ordinance

[Cap. 137.];\*

- (b) the signature of the grantor is attested by a magistrate;
- (c) it bears a declaration by the attesting magistrate that he has personally explained to the grantor the effect thereof;
- (d) it contains an inventory of the chattels comprised therein;
- (e) the amount of the payment secured thereby is not less than one hundred ringgit.

**Possession to be taken under bill of sale under certain circumstances only.**

4. (1) Chattels included in a bill of sale shall not be liable to be seized or taken possession of by the grantee for any other than the following causes:

- (a) if the grantor makes default in payment of the sum of money secured at the time therein provided for payment or in the performance of any covenant or agreement contained in the bill of sale and necessary for maintaining the security;
- (b) if the grantor becomes an insolvent or suffers the said chattels or any of them to be distrained for rent, rates or taxes;
- (c) if the grantor fraudulently either removes or suffers to be removed from the premises the said chattels or any of them;
- (d) if the grantor does not without reasonable excuse upon demand in writing by the grantee produce to him his last receipts for rent and municipal assessment;
- (e) if execution has been levied against the assets of the grantor under process of any court.

---

\* Stamp Duties Ordinance, Cap. 137 (except s. 83) was repealed by Act A 723 which extended Stamp Ordinance, 1949 (F.M. No. 59 of 1949) to Sabah. F.M. No. 59 of 1949 was later superseded by Stamp Act, 1949 (Act 378).

(2) All chattels seized or taken possession of under or by virtue of any bill of sale shall remain on the premises where they were seized or taken possession of and shall not be removed or sold until after the expiration of five clear days from the day on which they were so seized or taken possession of.

(3) The grantor may within five days from the seizure or taking possession of any chattels on account of any of the above mentioned causes apply to the magistrate in whose court the bill of sale is registered, and the magistrate if satisfied that by payment of money or otherwise the said cause of seizure no longer exists may restrain the grantee from removing or selling the said chattels and may make any such other order as may seem just.

**Bill of sale no protection against distress.**

5. No bill of sale shall prevent the chattels comprised therein from being attached and sold in any distress against the grantor for the recovery of rent, rates or taxes.

**Record of satisfaction.**

6. Upon the satisfaction of any bill of sale on payment or realization by sale, the magistrate on production of satisfactory proof thereof by either party thereto shall record satisfaction without fee in the register of the court where registration was effected.

**Power to make rules.**

7. The Minister may make rules for the more effectual carrying out of the purposes of this Ordinance.