

§3573. Insolvency

1. Debts greater than assets. A debtor is insolvent if the sum of the debtor's debts is greater than all of the debtor's assets at a fair valuation.

[PL 1985, c. 641, §3 (NEW).]

2. Presumption of insolvency. A debtor who is generally not paying his debts as they become due is presumed to be insolvent.

[PL 1985, c. 641, §3 (NEW).]

3. Partnership insolvency. A partnership is insolvent under subsection 1 if the sum of the partnership's debts is greater than the aggregate of all of the partnership's assets at a fair valuation, and the sum of the excess of the value of each general partner's nonpartnership assets over the partner's nonpartnership debts.

[PL 1985, c. 641, §3 (NEW).]

4. Assets; exclusion. Assets under this section do not include property that has been transferred, concealed or removed with intent to hinder, delay or defraud creditors or that has been transferred in a manner making the transfer voidable under this Act.

[PL 1985, c. 641, §3 (NEW).]

5. Debts. Debts under this section do not include an obligation to the extent it is secured by a valid lien on property of the debtor not included as an asset.

[PL 1985, c. 641, §3 (NEW).]

SECTION HISTORY

PL 1985, c. 641, §3 (NEW).

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