

379.010 Voluntary assignments for benefit of creditors -- Preferred claims.

- (1) Every voluntary assignment made by a debtor to any person in trust for his creditors shall be for the benefit of all his creditors, except as provided in subsections (2) and (3) of this section, in proportion to their respective claims after the payment of the expenses of the trust.
- (2) Any property conveyed by the deed of assignment upon which there is a valid lien shall be first applied to the discharge of the lien debt, and if the property is not sufficient to satisfy the lien debt, the lien creditor may present the unsatisfied remainder as a claim against the estate and receive thereon his pro rata share of the assets in the same manner as general creditors.
- (3) Debts due by the assignor as guardian, conservator, trustee of an express trust created by deed or will or as personal representative shall be paid in full before the general creditors receive anything.

Effective: July 1, 1982

History: Amended 1982 Ky. Acts ch. 141, sec. 95, effective July 1, 1982. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 74.

Note: 1980 Ky. Acts ch. 396, sec. 104 would have amended this section effective July 1, 1982. However, 1980 Ky. Acts ch. 396 was repealed by 1982 Ky. Acts ch. 141, sec. 146, also effective July 1, 1982.