

Article - Commercial Law

§15–102.

(a) (1) In this section the following words have the meanings indicated.

(2) “Person” includes an individual, corporation, business trust, statutory trust, estate, trust, partnership, limited liability company, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(3) “Wages” means all remuneration paid to any employee for his employment, including the cash value of all remuneration paid in any medium other than cash.

(b) The property of an insolvent who makes an assignment for the benefit of creditors or who has his property taken by a receiver under a decree of a court in an insolvency proceeding shall be applied to the following, in the order stated:

(1) Costs and expenses of the administration of the trust or insolvency proceeding which the court approves;

(2) Wages of an employee and health, welfare, and pension contributions contracted for in place of wages, earned not more than three months before the assignment or institution of the insolvency proceeding;

(3) Lien claims of the State, a county, municipal corporation, or other political subdivision of the State perfected or recorded before the assignment or institution of the insolvency proceeding, and claims of persons having judicial liens on property of the insolvent recorded more than four months before the assignment or institution of the insolvency proceeding;

(4) Unsecured claims of individuals, to the extent of \$900 for each individual, arising from the deposit, before the commencement of the case, of money in connection with the purchase, lease, or rental of property, or the purchase of services, for the personal, family, or household use of the individuals, that were not delivered or provided;

(5) Rent for any interest in real property in the State due not more than three months before the execution of the assignment or institution of the insolvency proceeding;

(6) Charges in connection with the transportation of goods advanced by one common carrier to another on behalf of a consignor or consignee not more than three months before the assignment or institution of the insolvency proceeding;

(7) Taxes not included in paragraph (3) of this subsection; and

(8) Claims of unsecured creditors.

(c) For the purpose of subsection (b)(1) of this section, the landlord's claim for rent for any interest in real property in this State due not more than three months before the execution of the assignment or institution of the insolvency proceeding shall be considered a perfected lien on the distrainable property of the insolvent to the same extent as if distress for rent was levied by the landlord before the assignment or the institution of the insolvency proceeding.