



Senate Bill No. 1021

Public Act No. 17-50

AN ACT REVISING THE UNIFORM FRAUDULENT TRANSFER ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 52-552i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2017*):

(a) A transfer or obligation is not voidable under subdivision (1) of subsection (a) of section 52-552e against a person who took in good faith and for a reasonably equivalent value.

(b) Except as otherwise provided in this section, to the extent a transfer is voidable in an action by a creditor under subdivision (1) of subsection (a) of section 52-552h, the creditor may recover judgment for the value of the asset transferred, as adjusted under subsection (d) of this section, or the amount necessary to satisfy the creditor's claim, whichever is less. The judgment may be entered against: (1) The first transferee of the asset or the person for whose benefit the transfer was made, or (2) any subsequent transferee other than a good-faith transferee who took for value or from any subsequent transferee.

(c) If the judgment under subsection (b) of this section is based upon the value of the asset transferred, the judgment must be for an amount equal to the value of the asset at the time of the transfer, subject to

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adjustment as the equities may require.

(d) Notwithstanding voidability of a transfer or an obligation under sections 52-552a to 52-552l, inclusive, a good-faith transferee or obligee is entitled, to the extent of the value given the debtor for the transfer or obligation, to (1) a lien on or a right to retain any interest in the asset transferred; (2) enforcement of any obligation incurred; or (3) a reduction in the amount of the liability on the judgment.

(e) A transfer is not voidable under subdivision (2) of subsection (a) of section 52-552e or section 52-552f if the transfer results from termination of a lease upon default by the debtor when the termination is pursuant to the lease and applicable law.

(f) A transfer or obligation is not voidable under subdivision (2) of subsection (a) of section 52-552e or section 52-552f against an institution of higher education, as defined in 20 USC 1001, if the transfer was made or obligation incurred by a parent or guardian on behalf of a minor or adult child in furtherance of the child's undergraduate education.

[(f)] (g) A transfer is not voidable under subsection (b) of section 52-552f: (1) To the extent the insider gave new value to or for the benefit of the debtor after the transfer was made unless the new value was secured by a valid lien, (2) if made in the ordinary course of business or financial affairs of the debtor and the insider, or (3) if made pursuant to a good-faith effort to rehabilitate the debtor and the transfer secured present value given for that purpose as well as an antecedent debt of the debtor.

Approved June 13, 2017