

# *The Closing-out Sales Act*

*being*

Chapter C-13 of *The Revised Statutes of Saskatchewan, 1978*  
(effective February 26, 1979) as amended by the *Statutes of  
Saskatchewan, 1983, c.77.*

## **NOTE:**

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER C-13

### An Act to Protect the Public against Misrepresentation in the Sale of Goods

#### Short title

1 This Act may be cited as *The Closing-out Sales Act*.

#### Interpretation

2(1) In this Act:

- (a) **“closing-out sale”** or **“sale”** means any sale or intended sale at retail of goods, wares or merchandise:
- (i) that is in any way represented, held out, advertised or described by any of the terms “bankrupt”, “insolvent”, “assignee’s”, “adjuster’s”, “trustee’s”, “executor’s”, “administrator’s”, “receiver’s”, “liquidation”, “wholesaler’s”, “jobber’s”, “manufacturer’s”, “moving out”, “selling out”, “closing-out”, “closing stock”, “fire”, “smoke”, “water damage”, “landlord’s”, “lease expired”, “creditor’s” or “forced”, or by any similar words or expressions; or
  - (ii) wherein it is in any way represented, held out or advertised that the goods, wares or merchandise are the property of or have been acquired or purchased from or are being sold by or on behalf of any bankrupt, insolvent person, assignee, adjuster, trustee, executor, administrator, receiver, wholesaler, jobber, or manufacturer, or are the property of or have been acquired or purchased from or are being sold by or on behalf of any other retailer; or
  - (iii) wherein it is in any way represented, held out or advertised that the goods, wares or merchandise have been damaged by fire, smoke, water or any other injurious agent, or are offered or will be offered for sale by reason of any action on the part of a landlord or creditor, or because of the expiry of a lease, or because the vendor thereof or any agent or principle of the vendor is either discontinuing business or changing his place of business, or has done so, or intends to do so, or because the vendor or any agent or principal of the vendor is in any way forced to offer the goods, wares or merchandise for sale;
- (b) **“inspector”** means an inspector appointed under section 4;
- (c) **“municipal council”** means the council of a municipality;
- (c.1) **“municipality”** means a city, town, village, rural municipality or northern municipality.

(2) This Act does not apply to a sale by a trustee in bankruptcy or an interim receiver under the *Bankruptcy Act* (Canada) or a liquidator under the *Winding-up Act* (Canada) or by a receiver, liquidator or an official administrator appointed under an Act of Saskatchewan.

R.S.S. 1978, c.C-13, s.2; 1983, c.77, s.11.

**Municipal bylaw**

**3** This Act applies only to a municipality the council of which has passed a bylaw declaring that the Act shall apply to the municipality, and the council of any municipality may pass such a bylaw.

R.S.S. 1978, c.C-13, s.3.

**Appointment of inspector**

**4** Where a council has passed a bylaw under section 3, it may appoint an inspector or inspectors for the purposes of this Act.

R.S.S. 1978, c.C-13, s.4.

**Sale without licence prohibited**

**5** No person shall advertise, carry on or conduct a closing-out sale in a municipality unless he is the holder of a licence to do so issued to him by an inspector.

R.S.S. 1978, c.C-13, s.5.

**Application for licence**

**6** Upon application in writing for a licence the inspector may, subject to the provisions of this Act, issue to the applicant a licence to conduct a closing-out sale.

R.S.S. 1978, c.C-13, s.6.

**Inventory**

**7(1)** Every application for a licence shall be accompanied by an inventory which shall contain:

- (a) the address where the sale will be conducted;
- (b) the dates between which the sale will be conducted;
- (c) a detailed and complete list of the goods, wares or merchandise intended to be offered for sale;
- (d) a detailed statement of the prices paid or contracted to be paid for the goods, wares or merchandise by the applicant for the licence;
- (e) the names and addresses of the respective persons from whom the goods, wares or merchandise were purchased or acquired, with the dates of purchase or acquisition;

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- (f) a statement that the goods, wares or merchandise intended to be sold, offered or exposed for sale are the regular stock-in-trade of the applicant or of a predecessor in title of the applicant, and a statement that no replenishments or additions have been or will be made to the stock-in-trade for the purposes of the sale;
  - (g) a statement showing whether or not the goods, wares or merchandise or any part thereof have been purchased or acquired from or are being sold by or on behalf of any insolvent person, assignee, adjuster, trustee, executor, administrator, receiver, liquidator, wholesaler, jobber or manufacturer, and, if so, the statement shall be certified in writing as correct by the insolvent person, assignee, adjuster, trustee, executor, administrator, receiver, liquidator, wholesaler, jobber or manufacturer;
  - (h) a statement showing whether or not the goods, wares or merchandise or any part thereof have been damaged by fire, smoke, water or any other injurious agent, and, if so, giving particulars with dates, places and amounts;
  - (i) a statement showing whether or not the goods, wares or merchandise are offered or will be offered for sale by reason of any action on the part of a landlord or creditor, or because of the expiry of a lease, or because the vendor thereof or any agent or principal of the vendor is discontinuing business or changing his place of business, or has done so, or intends to do so, and, if so, giving particulars with all names and dates;
  - (j) such further information as the inspector may, in his discretion, require.
- (2) The inventory shall be verified by an affidavit sworn either by the applicant or by his agent, resident within the municipality. The affidavit may be based on information and belief and the source of the information shall be given.
- (3) The inventory and affidavit shall be kept at the office of the inspector and shall, at all reasonable hours, be open to inspection by any person.

R.S.S. 1978, c.C-13, s.7.

**Investigation before issue of licence**

**8** Before issuing a licence the inspector may verify the information set out in the inventory and for that purpose may make such inquiries as he deems fit, and if not satisfied with any statement contained in the inventory, he may require further information from the applicant or may refuse to issue or delay the issue of a licence.

R.S.S. 1978, c.C-13, s.8.

**Licence fees**

**9** Before issuing a licence the inspector shall collect and receive from the applicant a licence fee as follows:

- (a) where the sale does not extend over a period of thirty days, a fee of \$25;

- (b) where the sale extends over a period of thirty days but does not extend over a period of sixty days, a fee of \$50;
- (c) where the sale extends over a period of sixty days but does not extend over a period of ninety days, a fee of \$75.

R.S.S. 1978, c.C-13, s.9.

**Period of licence**

10(1) Every licence shall state the period for which the sale may be conducted, and no person shall conduct or continue the sale beyond the period stated in the licence.

(2) Only one licence shall be issued to any one person in any period of twelve months, and no licence shall be issued for less than thirty days or more than ninety days.

(3) Where the licensee satisfies the inspector that he has not disposed of all the goods, wares or merchandise in respect of which the licence is issued within the period stated in the licence, the inspector may, on payment of the proper fee, extend the licence for such additional period as he thinks fit, and so on from time to time until all the goods, wares or merchandise are disposed of.

(4) Nothing in this section shall prevent the inspector from issuing more than one licence to any one person in any period of twelve months, where he is satisfied that the licence is required by reason of actual damage suffered by that person as the result of a fire.

R.S.S. 1978, c.C-13, s.10.

**Only regular stock-in-trade to be sold**

11(1) No person shall advertise, sell, offer or expose for sale at a closing-out sale, or list on an inventory filed pursuant to section 7, goods, wares or merchandise that are not part of the regular stock-in-trade of the applicant for a licence, or of a predecessor in title of the applicant.

(2) No person shall make any replenishment or addition to the stock for the purposes of the sale at any time after the filing of the inventory.

R.S.S. 1978, c.C-13, s.11.

**Powers of inspector**

12(1) The inspector may, at any time after receipt of an application for a licence and either before or after issue of the licence, enter and inspect during business hours all places where the closing-out sale is intended to be carried on or is being carried on, and may inspect the goods, wares or merchandise and the books of account and records relating thereto, and if not satisfied that the provisions of this Act are being fulfilled or that the statements in the inventory are correct, he may refuse to issue a licence, or cancel the licence or suspend it for such period as he thinks fit.

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(2) No person who has applied for or received a licence shall neglect or refuse to give to the inspector any information that he requires in respect of the closing-out sale, or to give the inspector access to any place where the closing-out sale is being carried on or is intended to be carried on, or to the goods, wares or merchandise, or to the books of account or records relating thereto.

(3) The powers conferred on the inspector by subsection (1) may be delegated by him to any person in writing under his hand.

R.S.S. 1978, c.C-13, s.12.

**Penalties**

**13(1)** Every person whose licence has been suspended and who conducts a sale during the period of the suspension, and every person whose licence has been cancelled and who conducts a sale after the cancellation, is guilty of an offence and liable on summary conviction to a fine of \$100 for every day during which the offence continues.

(2) Except as provided in subsection (1), every person who violates any of the provisions of this Act is guilty of an offence and liable on summary conviction to a fine not exceeding \$300.

R.S.S. 1978, c.C-13, s.13.

