

## Going Out of Business Sales

### N.Y. GBS. LAW § 580 : NY Code - Section 580: Purpose and intent

It is hereby determined and declared that sales to be licensed and regulated pursuant to the provisions of this article have often been conducted and advertised in such a manner as to mislead and defraud the public and otherwise to result in harm to the public interest. Such fraud and imposition on the public has included, by way of partial enumeration only: the misrepresentation of the condition or necessity which is the occasion of such sale; the misrepresentation of the identity of the person conducting such sale, and the name and style in which such sale is to be conducted; the misrepresentation that the goods offered at such sale are selling at sacrifice prices; the misrepresentation that the operator of the sale is selling merchandise on hand at the time when the necessity, which is the occasion of such sale, arose, when in fact he is replenishing his stock with additional merchandise both prior to the commencement and during the conduct of such sale so as to foist upon the public such added merchandise as though it were part of the original stock; and the excessive valuation and misrepresentation of the quality, former price and ownership of the goods to be sold at such sale. In order to prevent such fraud and imposition, the public interest requires the regulation of such sales and the duration and conduct thereof; and the public interest, therefore requires that no such sale should be conducted without a license or otherwise than in accordance with this article.