

chaser to a creditor of the vendor under circumstances which would render void such a payment or transfer by the debtor personally and directly, the payment or transfer, even though valid as respects the purchaser, shall be void as respects the creditor to whom the same is made.

(2) Every assignment for the general benefit of creditors, which is not void under Section 2 of this Act, but is not made to the official assignee (nor to any other person with the prescribed consent of creditors) shall be void as against a subsequent assignment which is in conformity with this Act, and shall be subject in other respects to the provisions of this Act until and unless a subsequent assignment is executed in accordance with this Act.

(3) In case a payment has been made which is void under this Act, and any valuable security was given up in consideration of the payment, the creditor shall be entitled to have the security restored or its value made good to him before, or as a condition of, the return of the payment.

(4) Nothing herein contained shall affect any payment of money to a creditor, where said creditor by reason or on account of such payment, has lost or been deprived of, or has in good faith given up, any valid security which he held for the payment of the debt so paid, unless the value of the security is restored to the creditor, or any substitution in good faith of one security for another security for the same debt as far as the debtor's estate is not thereby lessened in value to the other creditors.

(5) The debtor may, in the first place, with the consent of a majority of his creditors having claims of \$100 and upwards, computed according to the provisions of Section 20, make a general assignment for the benefit of his creditors, to some person other than the official assignee, and residing in this province.

(6) No person other than a permanent and bona fide resident of this province shall have power to act as assignee under an assignment within the provisions of this Act, nor shall any such assignee have power to appoint a deputy or to delegate his duties as assignee to any person who is not a permanent and bona fide resident of this province, and no charge shall be made or recoverable against the assignor or his estate for any service or other expenses of any such assignee, deputy or delegate of any assignee who is not a permanent and bona fide resident of this province.

4. Every assignment made under this Act for the general benefit of creditors shall be valid and sufficient if it is in the words following, that is to say: "All my personal property which may be seized and sold under execution, and all my real estate, credits and effects, or if it is in words to the like effect, and an assignment so expressed shall vest in the assignee all the real and personal estate, rights, property, credits and effects, whether vested or contingent, belonging at the time of the assignment to the assignor, except such as are by law exempt from seizure or sale under execution, subject, however, as regards land to the provisions of Chapter 84, Revised Statutes, Fifth Series, "Of the Registry of Deeds and Encumbrances affecting Lands."

5. The property and assets of any estate of which an assignment is made under the provisions of this Act, shall not be removed out of the province without the order of the county court judge of the county in which the assignment is registered, and the proceeds of the sale of and all moneys received on account of the estate shall be deposited by the assignee in one of the incorporated banks within the province, and shall not be withdrawn or removed without the order of the judge of the county court aforesaid, except in payment of dividends and charges incidental to the winding up of the estate, and any assignee or other person acting in his stead, or on his behalf, violating the provisions of this section, shall be liable to a penalty of \$400, which may be recovered summarily before a judge of the Supreme Court or of the county court for the county in which the assignment is by sub-section (2) of Section 13 of this Act,

required to be registered: and one-half of the said penalty shall go to the person suing therefor, and the other half shall belong to the estate of the assignor; but in default of payment of the said penalty and all costs which may be incurred in any action or proceeding for the recovery thereof, such assignee or other person may be imprisoned for any period not exceeding thirty days, and shall be disqualified from acting as assignee of any estate while such default continues.

6. If any assignor (or assignors) executing an assignment under this Act for the general benefit of his (or their) creditors owes or owe, debts both individually and as a member of a co-partnership, or as a member of two different co-partnerships, the claims shall rank first upon the estate by which the debts they represent were contracted, and shall only rank upon the other after all the creditors of that other have been paid in full.

7. Whenever an assignment is made of any real or personal property for the general benefit of creditors, under the provisions of this Act, the assignee shall pay in priority to the claims of the ordinary or general creditors of the persons making the same, the wages or salaries of all persons in the employment of such person at the time of making such assignment or within one month before the making thereof, not exceeding three months' wages or salary, and such persons shall be entitled to rank as ordinary or general creditors for the residue, if any, of their claim.

8. A majority in number and value of the creditors who have proved claims to the amount of \$100 or upwards, may, at their discretion, substitute for the official assignee or for an assignee under an assignment to which sub-section (2) of Section 3 of this Act applies, a person residing in the county in which the debtor resided or carried on business at the time of the assignment. An assignee may also be removed and another assignee may be substituted or an additional assignee may be appointed by a judge of the Supreme Court, or of the County Court of the county where the assignment is registered.

(2) Where a new assignee is appointed the estate shall forthwith vest in him without a conveyance or transfer. The new assignee may register an affidavit of his appointment in the office of the clerk of the County Court in which the original assignment was filed. Such affidavit may also be registered in the office of the Registrar of Deeds for the county in which the assignment is made. The registration of such affidavit in the office of the Registrar of Deeds shall have the same effect as the execution and registration of a conveyance.

9. Save as provided in the next succeeding sub-section the assignee shall have an exclusive right of suing for the rescission of agreements, deeds and instruments or other transactions made or entered into in fraud of creditors or made and entered into in violation of this Act.

(2) If at any time any creditor desires to cause any proceeding to be taken which, in his opinion, would be for the benefit of the estate, and the assignee under the authority of the creditors refuses or neglects to take such proceeding, after being duly required so to do, the creditor shall have the right to obtain an order of any judge of the Supreme Court or of the County Court aforesaid, authorizing him to take the proceeding in the name of the assignee, but at his own expense and risk, upon such terms and conditions as the judge may prescribe, and the benefit derived from the proceedings shall belong exclusively to the creditor instituting the same for his benefit, but if, before such order is granted, the assignee shall signify to the judge his readiness to institute the proceeding for the benefit of the creditors, the order shall prescribe the time within which he shall do so, and in that case the advantage derived from the proceeding if instituted within such time, shall appertain to the estate.

10. If the person to whom any gift, conveyance, assignment, tr. as-