circumstances, it is immaterial whether the legal right of the warehouseman to force the whole debt in this way is doubtful(*k*). Similarly, legal pressure is established where a wholesale merchant holds back goods ordered by a retail dealer, and demands a cash payment on account of a debt which is already double the amount which, according to a prior stipulation, it was not to exceed, and so produces in the mind of the buyer an impression that goods which he needs in his business will not be furnished without such payment. (*l*)

21. **Pressure ineffectual, if collusive [Compare also sec. 4 ante, and secs. 32 and 33 post]**—Proof that the hostile attitude of the creditor was merely simulated, as a result of a secret understanding between the parties, will of course prevent the operation of the doctrine of pressure. (*a*)

III. *Preference not validated by pressure unless actually induced by it.*

22. **Generally** — Agreeably to the general theory of legal causation, a preferred creditor who relies on the doctrine of pressure must shew not only that he made a demand upon the debtor, but that the assignment impugned was made in consequence of that demand.

If the payment "is made in consequence of the act of the creditor, it is not voluntary." (*a*)

"The test is, would the bankrupt have made the payment without the creditor's coming. If he would not, he cannot be said to have made the payment by way of fraudulent preference." (*b*)

(*k*) *McFarlane* v. *McDonald* (1874) 21 Grant 319.

(*l*) *Keays* v. *Brown* (1875) 22 Grant 1c.

(*a*) *Graham* v. *Candy* (1862) 3 F. & F. 206, per Erle, C.J.: *Davies* v. *Gillard* (1891) 21 Ont. Rep. 431: [rev'd 19 App. Rep. 432, but not on this point]: *Ivey* v. *Knox* (1885) 8 Ont. Rep. 635: *Ex parte Hall* (1883) 23 Ch. D. 701 Cotton L.J. p. 703: *Ex parte Reader* (1875) L.R. 20 Eq. 763: *Clemmow* v. *Converse* (1869) 16 Grant 547. A default judgment in an action by the debtor's father-in-law will not be pronounced collusive, as a matter of law, where there is evidence that the debtor kept hoping on to the last, and, until his goods were actually seized, never really believed that his father-in-law would proceed to extremities. *Ex parte Lancaster* (1883) 25 Ch. D. 311: The fact that the creditor is also the solicitor of the debtor makes no difference in a case of fraudulent preference, except that it gives greater facilities to the parties to disguise a voluntary transaction under the appearance of a demand and submission, and that it therefore requires to be watched with more cautious jealousy. *Johnson* v. *Fesenmeyer* (1858) DeG. & J. 13.

(*a*) *Van Casteel* v. *Booker* (1828) 2 Exch. 691.

(*b*) *Strachan* v. *Barton* (1856) 25 L.J. Exch. 182, 11 Exch. 647, per Alderson, B.: Compare *Kinnear* v. *Johnson* (1862) 2 F. & F. 753, Erle, C.J.: *Tomkins* v. *Saffery* (1877) 3 A.C. 213, per Ld. Blackburn (p. 235); *Bills* v. *Smith* (1865) 6 B. & S. 314: *Long* v. *Hancock* (1885) 12 Ont. App. 137.