

assign the estate or such portion thereof as may be arranged, to the assignor conjointly with his security or securities, if so required, narrating in the deed the causes for which such re-assignment is made, such deed to be registered as a re-assignment in usual form; and the creditors on receiving confessions of Judgment for their several compositions or instalments thereof, payable or recoverable at such dates as the said deed of arrangement or re-assignment bears, shall grant and acknowledge the same as a full and free discharge of the debt for amount of which they claim on the estate.

acceptance. Creditors to receive confessions of judgment for amounts of their compositions, &c.

10 IX. Provided always, that if the offer of composition so made is entertained or accepted by the requisite number and amount of creditors and the assignor be entitled to receive a discharge in virtue thereof, he shall subscribe a declaration, or if required by any creditor, an oath before any party qualified to receive or administer such, that he has made a full and
15 fair surrender of his estate, and has not granted or promised any preference or security, nor made or promised any payment, nor entered into any secret or collusive agreement or transaction, to obtain the concurrence of any creditor to such composition and the reinvestment of estate following thereupon and discharge under such composition.

Declaration to be subscribed on oath by assignor, upon receiving such discharge.

20 X. All preferences, gratuities, securities, payments or other considerations granted, made or promised, and all secret or collusive agreements or transactions for concurring in, facilitating or obtaining a reinvestment of estate to the assignor and his discharge under composition, whether the offer be accepted or not, or the discharge granted or not, shall be null
25 and void, and any one or more of the creditors may apply by petition to a Judge to have such discharge annulled accordingly; and if any creditor be found to have obtained any such preference, the assignee or any creditor may apply by petition to the court, praying that such creditor may be found to have forfeited his dividend from the estate, and may be
30 ordained to pay into court, for the benefit of the estate, double the amount of such preference, gratuity, security, payment or other consideration, the accountant in Bankruptcy being notified of any such proceedings at the time of the same being taken, and watching the same in the interests of commerce and fair mercantile dealing.

Preferences gratuities, &c., to be null and void, discharge procured thereby may be annulled.

35 XI. In subsequent actions at law for the recovery of debt, against any debtor who has made an assignment and full and fair surrender of his estate for the benefit of all his creditors, which debt was contracted and subsisting previous to such assignment, it shall be competent for such debtor to plead his having so made an assignment, if not in bar of judg-
40 ment, at least in mitigation of damages, and to adduce evidence of such assignment, and the dividend to be made or likely to be realized to his creditors therein, and also of what property he may subsequently have acquired, if such acquisition is alleged; and the Judge may, on consideration of the premises, adjudge or recommend to the Jury such mitigation
45 of damages as he may in the circumstances think fit, and the decision if not appealed, shall have the effect of causing such action for debt to become *res judicata*.

Assignment may be pleaded in actions at law, and evidence thereof and of the probable dividend, adduced in mitigation of damages.

XII. Should any doubt be had as to the bona fides of any claim upon an estate, the claimant may be required by the assignee or any co-creditor
50 to make oath to the verity thereof before a magistrate, before whom he may also be examined on oath touching such claim, or any matter relating thereto.

Bona fides of claim, how established.