

Assignor may specify what he deems to be privileged claims. appended to the deed of assignment as hereinbefore provided, such claims as he considers in equity entitled to any preference out of his estate, and such creditors, or any creditor on coming into the assignment, may lodge with the assignee a special claim for preference, detailing the grounds on which he claims such ; and, failing the lodging of such special claim, any preference, even though accorded by the assignor, shall be held as *fallen from*. 5

Term in assignment within which creditors may come in. IV. The term to be specified in every assignment within which creditors may come in, shall in all cases be sixty days from the date of registration thereof for creditors resident within the Province, and thirty days longer for such creditors as are at a distance without the Province. 10

Calling of first meeting of creditors, to receive statement of assignee. Preference claims adjudicated upon. V. On the expiration of the sixty days from the date of the registration of any assignment, the assignee shall, by advertisement and by circulars forwarded through the Post to each creditor within the Province or *mandatory* of absentre ditors, call a general meeting of the creditors on a day not later than ten days from the expiry of the sixty days aforesaid, to receive from him a statement of the position and prospects of the estate ; and, if any preference claims have been lodged, he shall in such circular specify the names and designations of such claimants and the amount for which they so claim ; and, on consideration of such statement and explanations by the assignee, if there are any creditors present at the meeting who have not previously come into the assignment, they shall then be requested so to do or retire ; the meeting shall then adjudicate on such preference claims in accordance with equity or mercantile usance, and by a majority in number and three-fourths in value, may admit, reject or modify such preferences, as the justice of the case may seem to require. 15 20 25

Three of the creditors to be appointed Commissioners. Their duties. VI. At such meeting, the creditors present shall nominate and appoint three of their number as Commissioners to consult and advise with the assignee on all matters connected with the management and realisation of the estate and the division of the proceeds thereof among the creditors, and shall name one of the chartered Banks in which the assignee shall deposit all moneys so soon as they are received, which shall not thereafter be withdrawn except upon a cheque signed by him and by two out of the three Commissioners. 30 35

Composition may be offered by assignor. VII. At the said meeting or at any subsequent meeting called by the assignor, with concurrence of the assignee, by advertisement and circular, it shall be competent to the assignor to make offer of a specific composition or dividend on the amount of his several debts, with or without security for the regular payment of the same as he may see fit, with the view of thereby superseding the assignment and resuming possession of his estate, and, on such offer being accepted by a majority in number and three-fourths in value of the creditors or *mandatories* duly authorised to act for absent creditors, such deed of arrangement, being registered in the office of the accountant in Bankruptcy hereinafter appointed, who, on being satisfied of the authenticity thereof, shall grant certificate of registration accordingly, the said arrangement shall be as binding on all the creditors as if they had all acceded thereto. 40 45

Re-assignment by assignee, upon such VIII. The assignee shall thereupon, on receiving from the assignor such remuneration for his trouble as the creditors may determine, re- 50