

commencement of the action in the hands of a nominal purchaser, and he was ordered to pay it into Court for distribution amongst those properly entitled.

The words "fraudulent and void as against creditors" have been extended by 55 Vic., Cap 26, Sec. 2, so as to include simple contract creditors suing on behalf of themselves and other creditors, and to the assignee under the Statute, who can now attack securities which do not comply with the requirements of Chapter 37 of 57 Victoria.

Prior to this extension, such an action could only be brought by an execution creditor. It has been recently held in *Tallman V. Smart*, 15 O.R., p. 661, that this extension would not be sufficient to entitle an assignee to attack a chattel mortgage, on the ground that it had not been renewed in accordance with the requirements of the Statute, and therefore apparently only extends to enable a simple contract creditor suing as above, or an assignee, to attack a security which has not, in the first instance, complied with the requirements of the Act.

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## CHAPTER 4.

### PREFERENCES.

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Advantages gained by one creditor over others by means of collusive proceedings are sought to be put an end to by section 1 of the Statute under consideration. The following are the words of the section:—

"Sec. 1. In case any person, being at the time in insolvent circumstances, or unable to pay his debts in full, or knowing himself to be on the eve of insolvency, voluntarily or by collusion with a creditor or creditors, gives a confession of judgment *cognovit actionem* or warrant of attorney to confess judgment with intent, in giving such confession, *cognovit actionem* or warrant of attorney to confess judgment, to defeat or delay his creditors wholly or in part, or with intent thereby to give one or more of the creditors of any such person a preference over his