A payment by the insolvent's own cheque would probably be a payment of money within the meaning of the Act: *Davidson* v. *Fraser*, 23 App. R. at p. 443.

With reference to the effect of paying money or giving a promissory note as consideration for a transfer of property, Mr. Justice Ferguson says:—"In *Walker* v. *Niles* (18 Gr. 210), it was virtually held that the giving of a note as part of the consideration in a chattel mortgage transaction when it was accepted in the place of money was tantamount to advancing the money, and the same thing has, I think, been held in other cases": *Building and Loan Association* v. *Palmer*, 12 O. R. at p. 6.

Security not Impeachable unless Secured Creditor had Notice of Insolvency.

A transaction, entered into by a person in insolvent circumstances, is not impeachable by a creditor unless the *creditor proves that the person claiming the benefit of the transaction had notice or knowledge of the insolvency* and did not act in good faith: *Johnson* v. *Hope*, 17 App. R. 10; *Ashley* v. *Brown*, 17 App. R. 500; *Lamb* v. *Young*, 19 O. R. 104.

It would appear to be a logical presumption that the notice in question should be actual notice of the insolvency and not merely implied or constructive notice thereof, for, the question which has to be determined is a question of intent, and a person's intent cannot, ordinarily, be deemed to be affected by the latter sort of notice; but "If the creditor who receives payment has knowledge of circumstances from which ordinary men of business would conclude that the debtor is unable to meet his liabilities, he knows, within the meaning of the Act, that the debtor is insolvent": *National Bank of Australasia* v. *Morris*, 1892, A. C. at p. 290.

A mere suspicion that the transferee knew of the insolvency is not sufficient, there must be affirmative evidence thereof: *McRoberts* v. *Steinoff*, 11 O. R. at p. 372; *Burns* v. *Mackay*, 10 O. R. 170; *Attorney-General* v. *Harmer*, 16 Gr. 533; but see *Merchants' Bank* v. *Clark*, 18 Gr. 594; approved of in *Morton* v. *Nihan*, 5 App. R. 20, 28; and *Rice* v. *Bryant*, 4 App. R. 542, 554.

This rule (that knowledge of the insolvency must be shewn to exist as well on the part of the transferee as on the part of the transferor) *applies as well where the transfer operates to give one creditor a preference over others, as where* (by reason of its being made in pursuance of an absolute sale) *it operates to defeat, hinder, delay or prejudice creditors.* Thus, where a mortgage was made