

XXXIX. Whenever it shall appear to the assignee, or any creditor who shall have proved a debt to the amount of twenty pounds or upwards, that any debt proved under the Commission, on an authentic or notarial deed or otherwise, or for any amount, is not justly due in whole or in part, such assignee or creditor may make representation thereof to the Court, and it shall be lawful for the Court to summons before him and examine upon oath, any person who shall have so proved as aforesaid, together with the bankrupt, and any person whose evidence may appear to the Court to be material either in support of or in opposition to any such debt, any law, usage or custom to the contrary notwithstanding; and if the Court, upon the evidence given upon both sides, or (if the person who shall have so proved as aforesaid, shall not attend to be examined, having been first duly summoned, or notice having been left at his last place of abode) upon the evidence adduced by the assignee or creditors as aforesaid, shall be of opinion that such debt is not due, either wholly or in part, the Court shall be at liberty to expunge the same, either wholly or in part, from the proceedings.

Debts may be disputed.

XL. All conveyances and contracts, and other dealings and transactions by and with any bankrupt, *bona fide* made and entered into, before the date of the commission against him, and all executions against the lands and tenements, goods and chattels of such bankrupt, *bona fide* executed and levied, before the date of such commission, shall be valid notwithstanding any act of bankruptcy by him committed; Provided the person so dealing with such bankrupt, or at whose suit or on whose account such execution issued, had not at the time of such conveyance, contract, dealing or transaction, or at the time of the levying such execution, notice of any act of bankruptcy before then committed by such bankrupt.

Conveyances, &c, protected.

XLI. All payments *bona fide* made by any bankrupt, or any person on his behalf, before the date of the commission, to a creditor of such bankrupt, such payment not being a fraudulent preference of the creditor, shall be deemed valid, notwithstanding any prior act of bankruptcy by such bankrupt committed; and all payments *bona fide* made to any bankrupt, before the date of the commission, shall be deemed valid, notwithstanding any prior act of bankruptcy by such bankrupt committed; and the creditor shall not be liable to refund the sum to the assignee or debtor of the bankrupt to make repayment to the assignee, provided they, respectively, had not at the time of such payment, notice that such act of bankruptcy had been committed.

Payments protected.

XLII. No revendication of goods sold and delivered to the bankrupt without day or term of payment, shall be allowed to the vendor thereof, by reason of the non-payment of the price of the same; nor shall the vendor of any goods be entitled to claim a preference on the proceeds of such goods for the price thereof, by reason of their being in the possession of the bankrupt at the time of the bankruptcy, in the same state and condition as when sold to him; but the vendor may, in case of the failure of the purchaser, stop *in transitu* or reclaim the goods sold by him, and the price of which has not been paid to him, as may, under similar circumstances, be done according to the law of England, and not otherwise.

Goods sold without terms of payment.