

circumstances that in consequence of the act of the plaintiff, the defendant had been led to part with all his property. In the present case the defendant was not induced to alter his position in any way by the promise of the plaintiff to sign the composition paper. The two cases may thus be distinguished . . . For these reasons, we are of opinion that, though the plaintiff may have rendered himself liable to an action on the breach of a promise to sign the composition paper, he has done nothing which can be pleaded as a defence to the present action."

In 1877 an important case in bankruptcy arose for decision, namely, *Slater v. Jones*.²⁷ To an action on a bill of exchange, the defendant pleaded that he summoned a meeting of his creditors in the manner prescribed by the Bankruptcy Act, 1869, and that the requisite majority resolved, "that a composition of 6s. in the pound on the amount of the defendant's debts, whereof 2s. should be payable in 4 months, and 2s. in 8 months and 2s. in 12 months from the complete registration of the resolution, should be accepted in satisfaction of the debts due from the defendant to his creditors respectively." There was a replication that the time for the payment of any part of the said composition had not elapsed, and no part of the same had been tendered or paid to the plaintiff. Judgment was given in favour of the defendant. Kelly, C.B., said: "Here the creditors have become bound by a resolution that a composition to be paid by instalments, or at a future time, shall be accepted in satisfaction; and I think that a person who is bound by such a resolution, is also bound, by necessary implication, not to sue the debtor before the time for payment comes, or until default is made. This construction receives confirmation from many of the cases cited, and especially from those referred to by my brother Bramwell, and collected in the second volume of Starkie on Evidence, p. 17, whence it appears that an agreement by

27. L.R. 8 Ex. 183; and see *Dane v. Mortgage Insurance Corporation*, 1894, 1 Q.B. 54; cf. *Newell v. Van Praagh*, 1874, L.R. 9 C.P. 96; *Ex p. Gilbey*, 1878, 8 C.D. 248; *Re Hutton*, 1872, 7 Ch. 723; and *Ex p. Peacock*, 1873, 8 Ch. 682.