

An Act to facilitate arrangements between Insolvent Debtors and their Creditors, and the *cession de biens*, in Lower Canada.

**WHEREAS** it is desirable that greater facilities should exist for arrangements between Insolvent Trader Debtors and their Creditors in Lower Canada, such arrangements when proposed being often frustrated by the vexatious opposition of a fractional portion of the creditors; And whereas such opposition is unjust as well to the debtor as to the majority of creditors, and frequently causes them to sustain serious losses: Therefore, Her Majesty, by and with the advice and consent of the Legislative Council and Assembly of Canada, enacts as follows:

1. Every Insolvent Trader Debtor residing and having resided for three years or more in Lower Canada, who is unable to pay his just debts, may call a meeting of his creditors in the manner hereinafter provided. Insolvent Trader may call meeting of creditors.
2. Such meeting shall take place at the Office of the Notary chosen for the purpose by the debtor, or at some suitable place selected by such Notary. Where to be held.
3. The debtor shall deliver to the Notary a list containing the names, surnames, additions, and places of residence of his creditors, and the Notary shall give notice to each of the said creditors according to the Form A annexed to this Act. This notice must be left at the domicile or at the office, shop or place of business of the creditor, if within the limits of any City, ten days at least before the day appointed for such meeting; and service of this notice shall be made personally by the Notary when the creditor resides within the limits of a City as above, and by post when without such limits, or without the Province, but when made by post whether within or without the Province, in addition to the said notice of ten days, such additional time shall be added as may be required for the transmission by mail of a letter to and from the residence of such creditor. List of creditors and notice. Service of such notice.
4. On the day fixed in the said notice the debtor shall attend the meeting, and he or the Notary shall lay before the creditors then present a statement of the affairs of the said debtor attested on oath by the said debtor, before a Judge of the Superior Court or a Commissioner for receiving affidavits to be used in the said Court, and shall set forth in writing the terms of settlement proposed by him; the creditors present shall then proceed to investigate the affairs of the debtor or may name a committee for that purpose to be chosen from amongst themselves to report at a subsequent meeting, the day of which shall be by them then and there fixed, and of which notice shall be given in three newspapers published in or nearest to the place of residence of the Notary; and if at such first or subsequent meeting or at any other time, in consequence of the proceedings had and taken thereat, a majority in number of the said creditors whose debts shall amount to at least three-fourths in value of the whole of the debtor's liabilities, shall bind the whole. Statement of debtor at meeting. Investigation by creditors or committee of them. Majority in number and three-fourths in value to bind the whole.