

Since the passing of the amending Statute the right of an assignee for creditors to call a transferee of property to account for the proceeds of such property as has been disposed of by him before the commencement of the action to set aside the transfer, has been discussed in the case of *Meharg v. Lumbers* (23 App. R. 51), in which it was held that when an assignment of book debts is set aside as a preference, in an action by an assignee for creditors, the preferred creditor must pay to the assignee all moneys collected by him under the preferential security before the attack upon it. Chief Justice Meredith was of opinion that this would follow without the necessity for any statutory provision touching the obligation to account; he says (p. 53-4), "The effect of the setting aside of the assignment of the book debts in this case is that the assignment becomes, and is, utterly void, and that being so, it follows that the moneys collected by the defendant are the proceeds of part of the property vested in the assignee by force of the assignment, and he is entitled to treat the defendant as holding them in trust for him." This view is concurred in by Mr. Justice Osler (p. 63), and Mr. Justice MacLennan, although personally doubting, thought (p. 65) that this must follow from the decision of the Supreme Court in *Clarkson v. McMaster*, 25 S. C. R. 96; Mr. Justice Burton thought that apart from the effect of section 8 of R. S. O. Cap. 124, the view expressed by Chief Justice Meredith should prevail, but that the effect of section 8 is to circumscribe the right to an account (pp. 58, 62-3); Chief Justice Hagarty thought that the plaintiff's right to such an account was clearly given to him by section 8.

DOCTRINE OF PRESSURE.

The "*doctrine of pressure*" which is applied to the working of the Statute relating to fraudulent preferences, makes it almost ineffective for the purpose of preventing preferential transfers of property, in cases which do not fall within the operation of the provisions of Cap. 147, sec. 2 (4), hereinafter referred to.

This doctrine is based upon the ground that in order to bring a case within the Statute, the intent to defraud or to prefer must exist in the mind both of the transferor and the transferee, and if the transfer be made on account of the importunity or threats of the creditor, then the transferor can not be said to have made the transfer with intent to prefer a creditor, but he did it rather with a view of escaping the pressure of that creditor.

Where a transferor is criminally liable for misappropriating