

An Act to explain the eighteenth section of the Indigent Debtors' Act of Upper Canada:

WHEREAS doubts exist as to the interpretation to be put on certain expressions, in the eighteenth section of chapter twenty-six of the Consolidated Statutes for Upper Canada, and it is desirable to remove the same: Preamble.

5 Therefore, Her Majesty, &c., enacts as follows :

1. The words "Insolvent circumstances or unable to pay his debts in full," shall not be deemed to apply to a person who being possessed of real estate, which, if sold at a fair value as between a vendor and purchaser, would either alone or in connection with his personal property, realize sufficient to pay twenty shillings in the pound on such person's debts; nor shall any such case of insolvency as is contemplated by the said section be taken to invalidate any gift, conveyance, assignment, transfer or delivery of property by any debtor with the intention of giving one or more of his creditors a preference over his other creditors or any one of them, unless the knowledge of such person's insolvency shall have been acquired by the person or persons obtaining the preference previously thereto. Effect of certain words in the said section explained.

2. The said section shall not be deemed to apply to any *bona fide* sale or mortgage of that estate. Not to apply to certain cases.