

it was in this feature more restricted in its operation than 13 Eliz., as the latter Statute covered transfers both of realty and of personalty, while the Provincial Statute was confined in its operation to personalty alone; on the other hand it was more extended in its operation than the Statute of Elizabeth, inasmuch as it forbade, while the Statute of Elizabeth permitted the preference of one creditor over another.

The effect of the Provincial Statute as contained in R. S. O. (1877), is explained in an article in 3 Can. L. T. 324.

The said revision of 1887 contained, and the revision of 1897 now contains, many additional provisions which had not been contained in the previous revision; thus it enacted by section 3 (1) of that Statute that the same shall not apply (a) to an assignment made for the rateable payment of the creditors of the assignor, (b) nor to any *bond fide* sale or payment made in the ordinary course of trade or calling to innocent purchasers, (c) *nor to any payment of money to a creditor*, (d) nor to any transfer of property made in consideration of any present actual *bond fide* payment of money, (e) or by way of security for any present actual *bond fide* advance of money, (f) or which is made in consideration of any present actual *bond fide* sale or delivery of goods or other property; provided that the money paid or the goods or other property sold or delivered bear a fair and reasonable relative value to the consideration therefor.

The latter part of this sub-section appears to set at rest a question regarding which there was a divergence of judicial opinions, namely, whether mere inadequacy of consideration was sufficient to invalidate a sale of property made by an insolvent debtor, or whether the inadequacy in order to have that effect must be so great as to afford evidence of *mala fides*. See *Carradice v. Currie*, 19 Gr. 108; *Merritt v. Niles*, 28 Gr. 346; *Crawford v. Meldrum*, 3 E. & A. 101.

#### PURCHASE IS VALID UNLESS FRAUDULENT INTENT OF PURCHASER IS ESTABLISHED.

Where there is a purchase of property from an insolvent debtor for valuable consideration, the Court requires clear proof of fraudulent intent on the part of the purchaser before it will set aside the purchase, and the fact that the vendor was to the knowledge of the purchaser insolvent at the time of making the sale and transfer is of itself insufficient to cause the conveyance to be set aside: *Hickerson v. Parrington*, 18 App. R. 635; and see judgment of Osler, J., in *Campbell v. Roche*, 18 App. R. at p. 654.