

THE PROFESSIONAL ARENA—FRAUD ON THE INSOLVENT ACT.

the affirmative spoke to the following effect:—

The Master was perfectly right in bringing to the notice of the Court the conduct of Mr. A. I am glad that in offering Mr. A's apology, his counsel has thought proper not to say anything in extenuation. The case is an extremely gross one, and I much regret that it should ever have occurred. Although the apology now made is very full, I have much hesitation in accepting it. The accusations made by Mr. A. were such as no gentleman should ever make to another, and were couched in most offensive language. Gentlemen in the profession should not allow their tempers to get the better of them, nor forget that they are gentlemen, and they should act as such one towards another. I regret to say that I have on several occasions of late years noticed an unseemly bickering amongst practitioners when engaged in the conduct of suits, and especially in reference to the subject of costs. It is quite time that all this should cease. Courtesy from one solicitor to another is essential to the proper conduct of business and should never be forgotten. The present case shows to what a departure from this line of conduct may lead. I only remember one instance of a similar nature, in which an imputation of falsehood was made as in this case, and that happened many years ago. A solicitor who had been guilty of insulting and abusive language towards another solicitor in the conduct of business was so badly advised as to refuse for a time to make an apology, and he was suspended from practice until he did make an apology. I only mention this as indicating what procedure would probably be adopted by the Court in this case had an apology not been tendered. The language was grossly insulting, but as a full apology has been made, I feel bound to accept it. I trust, however, that Mr. A. feels the contrition which he expresses, and assuming that he does, the matter may be allowed to drop, on payment of the costs of the motion.

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The general rule that a man may do what he will with his own is qualified in the case of traders, by the consideration that he cannot make such an arrangement as that upon his insolvency any portion of his assets can be withdrawn from his creditors, and distributed or held otherwise than as provided by the Insolvent law. The cases on this branch of the law are collected and commented on in *Watson v Major*, 22 Gr. 198, and on appeal at p. 574.

There is another line of cases where the person, subsequently becoming insolvent, has executed an instrument in which it is provided that a right shall arise against him upon the commission of an act of insolvency, and where but for such insolvency the demand would not be in existence. Such securities are considered as being contrived for the purpose of evading the effect of the statute, and in effect operating as a fraud upon the Insolvent laws. The first case of the kind in this Province is *In re Hoskins*, 1 App. R. 379, where the insolvent had entered into a lease which contained a provision that, in the event of insolvency, the term should be forfeited and void, but the next succeeding current year's rent should be at once due and payable. The first year's rent was paid in advance, and during this first year the insolvency occurred. The second year's rent was claimed against the assignee; but the Court held that the claim was untenable, because the effect of it was to provide that for what turned out to be eleven months' possession, two years' rent should be paid, and therefore to give effect to the claim would be to divert from the body of the creditors so much of the assets as would be required to pay the second year's rent, for which