

COLLECTION LAWS.

from Ontario, with intent to defraud. In Superior and County Courts the attachment covers the real as well as personal property, in case of insufficiency of debtors property to satisfy the claims of plaintiff, and of such other creditors as shall place their executions in the Sheriffs hands within six months from the date of the first writ, the proceeds will be distributed rateably. Property of debtor held by third parties in collusion with debtor can be recovered.

5. **Bankruptcy.**—When debtor fails to meet his liabilities, and to more creditors, of \$100 each representing together \$500.00 and not acting in collusion with debtor may demand an assignment. Debtor has five days after demand to contest validity thereof, or to make assignment. A debtor is deemed to become insolvent. (1.) If he calls a meeting of creditors, or admits his inability to meet his liabilities. (2.) Absconds, attempts to abscond or conceal himself. (3.) Secretes effects. (4.) Makes a fraudulent disposals of property. (5.) Commits at seizure of his property under execution. (6.) Is imprisoned for more than 30 days in action for \$200.00, or upwards. (7.) Neglects to appear for examination. (8.) Disobeys order of the Court. (9.) Makes general assignment, other than in the mode prescribed. (10.) Or allows execution to remain unsatisfied till within 4 days of date of sale, or 15 days after seizure. Writs of attachment will issue on affidavit of creditor his clerk, or agent (where claim is not less than \$200.00 over value of any security) showing that debtor is insolvent, and that his estate is liable to liquidation. All assignments must be made to the official Assignee of County where Insolvent has his domicile or place of business. Insolvent has seven days after assignment to furnish a statement of liabilities, assets &c. Official Assignee calls first meeting of creditors, to be held within three weeks from date of demand, by giving ten days notice thereof. If Official Assignee omits to call such meeting, the judge, on the application of assignee, or any creditor, will order such meeting to be called. The auditors at such meeting may appoint an assignee, and in default of such an appointment the Official Assignee retains office. Creditors may require assignee to give security. Creditors cannot vote unless personally present or represented by agent appointed in writing. All claims must be filed with the assignee within one month after his appointment, if not so filed, assignee must reserve dividend to meet same, but if claims be not filed prior to last dividend the same as reserved shall form part of such final dividend. Insolvent may apply for a discharge by filing with assignee a consent in writing to his discharge or a deed of composition and discharge, signed by majority of creditors of \$100 each, and upward, who represent at least three fourths in value of all the claims of \$100 and upwards, which have been proved. He must also make affidavit, that no preferential payment, promises or inducements, have been given, or held out, to any creditor so signing the deed of composition, and procure a certificate, from the assignee, that he has delivered a correct statement of assets and liabilities. But Insolvent will not be entitled to his discharge, if the proper proportion of his creditors in number and value has not been obtained, or he has been guilty of fraud, or has not kept proper books or account. The Court may, in such cases, order suspension of discharge for a period of not more than five years, or declare the same to be of the second class. The creditors are at liberty to oppose granting of discharge and the judge is prohibited from granting same unless it can be shown (1) that a dividend of 50 cents on the \$ on the unsecured claims has been, or will be, paid out of estate or (2) that such dividend might have been realised, but for the negligence or fraud of Assignee or Inspector or (3) that Insolvent had previous to proceedings being instituted, mailed to his creditors a declaration of his insolvency, and creditors took no proceedings for one month after date of mailing said declaration, and that such dividend would have been paid but for circumstances arising more than one month after mailing declaration. Creditors holding secured claims must place a value thereon, and can only vote upon the difference, if any, between the value at which it is retained, and the amount of such claim. Clerks and others in employ of Insolvent, are entitled to arrears of wages not exceeding two months preceeding insolvency, and, for wages accruing due, for a period not exceeding one month, during which time they must perform any work connected with the business carried on by Insolvent, if required by the Assignee. Affidavits made out of Canada, in reference to insolvency proceedings, can be sworn before any of the following officials, viz., by a Judge of a Court of Record, Commissioner for taking affidavits, appointed by the Canadian Courts, Notary Public,