

in such leased premises to be sold, after notice by advertisement of such sale thereof. And at the time and place appointed such lease shall be sold, upon such conditions, as to the giving of security to the Lessor, as the Judge may order. And such sale shall be so made, subject to the payment of the rent and to all the covenants and conditions contained in the lease; and all such covenants and conditions shall be binding upon the Lessor and upon the purchaser, as if the purchaser had been himself Lessee and a party with the Lessor to the lease.

2. If the Insolvent holds under a lease extending beyond the year current under its terms at the time of his insolvency, property which is not subject to the provisions of the last preceding section, or respecting which the Judge does not make an order of sale, as therein provided, the creditors shall decide, at any meeting which may be held more than three months before the termination of the yearly term of the lease current at the time of such meeting, whether the property so leased should be retained for the use of the estate only up to the end of the term then current, or if the conditions of the lease permit of further extension also up to the end of the next following yearly term thereof; and their decision shall be final.

3. From and after the time fixed for the retention of the leased property for the use of the estate the lease shall be cancelled, and shall from thenceforth be inoperative and null. And so soon as the resolution of the creditors as to such retention has been passed, such resolution shall be notified to the Lessor; and if he contends that he will sustain any damage by the termination of the lease under such decision, he may make a claim for such damage, specifying the amount thereof under oath, in the same manner as in ordinary claims upon the estate. And the assignee shall proceed forthwith to make an award upon such claim, in the same manner, and after similar investigation, and with the same right of appeal as is herein provided for in the case of claims or dividends objected to.

4. In making such claim, and in any award thereupon, the measure of damages shall be the difference between the value of the premises leased, when the lease terminates under the resolution of the creditors, and the rent which the Insolvent had agreed by the lease to pay during its continuance; and the chance of leasing or of not leasing the premises again, for a like rent, shall not enter into the computation of such damages. And if damages are finally awarded to the Lessor, he shall rank for the amount upon the estate as an ordinary creditor.

OF APPEAL.

8. There shall be an appeal to the Judge from the award of an assignee made under this Act, which appeal shall be by summary petition, of which notice shall be given to the opposite party and to the assignee; and the assignee shall attend before the Judge at the time and place indicated in such notice, and shall produce before him all evidence, notes of evidence, books, or proved extracts from books, documents, vouchers, or papers having reference to the matter in dispute; and thereupon the Judge may confirm such award, or modify it, or refer it back to the assignee for the taking of further evidence, by such order as will satisfy the ends of justice.

2. If any of the parties to such appeal are dissatisfied with such order of the Judge, they may appeal from his judgment in Lower Canada to the Court of Queen's Bench for Lower Canada on the Appeal Side thereof, and in Upper Canada to either of the Superior Common Law Courts or to the Court of Chancery, or to any of the Judges of the said Courts, first obtaining the allowance of such appeal in Lower Canada by a Judge of the Superior Court, and in Upper Canada by a Judge of any of the Courts to which such appeal may be made; and in either