

sons on commencing business, or on obtaining large amounts of credit to enable them to continue in business, from individual merchants or firms, to give security for credit by Bills of Sale, Chattel Mortgages or Confessions of Judgment for such amounts as would cover their whole effects or stock of goods, present or prospective, which instruments by reason of their being dated or registered antecedent to sixty days of the subsequent making of an assignment would still be effectual to the operating a preference out of the estate by the holder of such security, and to the prejudice of such creditors as may in ignorance thereof have subsequently given credit to the maker of such preferential security,—Be it enacted, that any person or trader who, having given such security, or made any alienation of right of property as aforesaid, shall subsequently seek to obtain credit from any person or firm other than the holder of such security, or for a greater amount than one hundred dollars, without informing such person or firm from whom he seeks credit, of the existence of such security, or referring him to the holder thereof, shall be guilty of fraud, and punishable as the law directs for obtaining goods under false pretences; and any holder of such security who shall be proved to have been privy to the grantor of such security to him seeking to obtain credit elsewhere, or who shall on application to him conceal or deny the existence of such prior security, shall be deemed guilty of conspiracy to defraud, and subject to any punishment in that behalf provided, and may be sued for the full amount of any such debt so incurred by the person from whom he holds the security, with costs of recovering the same.

Concealing from subsequent creditors the having given preferential security, to be a fraud and punishable as such;—and any person privy thereto, to be also punishable.

XIX. If any Trader having purchased goods and given Notes or Bills for the same, shall be discovered to be improperly alienating such goods, or disposing of the same by auction or otherwise below their value, for the purpose of defeating or defrauding his creditor, it shall be competent to such creditor, notwithstanding that the notes given for such goods may not then be due or at maturity, to make representation of such attempted or intended fraudulent disposal of such goods to the Accountant in Bankruptcy, who shall direct enquiry into the facts of the case, and take such measures for the preservation of the estate, for the benefit of all the creditors of such Trader, as to him may seem proper.

Improper or fraudulent alienation of goods paid for by notes, to be dealt with by accountant in Bankruptcy.

XX. And whereas it is expedient that all Insolvent estates in process or to be in process of winding up under assignment, should be brought under the supervision of a proper officer, alike for the benefit of all interests therein, as for the acquisition of a statistical knowledge of Bankruptcy, therefore it shall be lawful for His Excellency the Governor, by and with the advice of the Executive Council, to nominate and appoint such an officer, who shall be styled the Accountant in Bankruptcy, and be a person versant in mercantile usance and accounts, for the performance of the duties hereinbefore and hereinafter provided, and the said Accountant shall not directly or indirectly, by himself or any partner, practice before any superior or any inferior court of this Province, and shall not directly or indirectly have any management of, or any intromission with, any money of any insolvent or assigned estate.

Appointment of Accountant in Bankruptcy, his qualifications, &c.

XXI. The Accountant shall take cognizance of the conduct of all assignees or commissioners under assignments registered after the passing of this Act, or within five years before it, and all assignors, assignees and commissioners shall be bound, and are hereby required to answer all pertinent enquiries made by the Accountant, regarding any assignment

Duties of the Accountant with respect to assignees and commissioners under assignments.