fendant had been in the habit of supplying goods to the company for the purposes of their business, and a balance being due in respect thereof, he threatened not to supply any more goods unless it were paid, whereupon the plaintiff orally promised, as the jury found, that he would be answerable for the price of the goods to be supplied if the company made default. The jury found that the plaintiff was induced to make the promise because he had the debenture. The plaintiff set up as a defence the Statute of Frauds, and the question was raised whether in the circumstances the promise in question was a guaranty or a promise of indemnity. Lord Coleridge, J., who tried the action, came to the conclusion that the case was not within the Statute of Frauds because of the ownership by the plaintiff of the debenture, which he considered brought the case within the principle deducible from what was said in *Harbury India Rubber Comb Co.* v. *Martin* (1902) 1 K.B. 778 (see ante vol. 38, p. 538); but the Court of Appeal (Williams and Kennedy, L.JJ., and Joyce, J.) reversed his decision, holding that the case was within the statute as being a promise to answer for the debt of another, and that the ownership of the debenture was immaterial.

CREDITOR—RETURN OF GOODS TO CREDITOR—FRAUDULENT PREFERENCE.

*In re Ramsay* (1913) 2 K.B. 80. This was a bankruptcy case, and the question was whether a return of goods made by the bankrupt to a creditor was a fraudulent preference. The bankrupt being in financial difficulties, wrote to his principal creditor, whose claim amounted to £3,000, and who held current bills for £1,000, two of them for £521 just falling due, asking to have one of the bills renewed. The creditor replied that they must be met, and the account considerably reduced. On the following day the creditor saw the debtor and demanded a substantial payment or a return of goods, otherwise he would make it hot, for the debtor. The debtor agreed to return goods and in the next few days returned goods to the value of £1,808, being more than three times the amount of the overdue bills. Within three months thereafter the debtor became bankrupt. The trustee applied to have the return of goods declared to be a fraudulent preference, and Phillimore, J., who heard the application, held on the evidence that the return of the goods was not caused by any real pressure on the part of the creditor, and was a voluntary act of the debtor, and therefore was a fraudulent preference as claimed.