

An Act for the Relief of Merchants, Traders, and others.

**W**HEREAS, it is expedient that amicable modes of arrangement between debtors and their creditors should be facilitated, and that better means should be provided for carrying the same into effect: Be it therefore enacted, &c., that—

- 5 From and after the passing of this Act, it shall be lawful for any debtor who is unable to meet his engagements with his creditors, with the concurrence of one-third in number and value of his creditors, (certified by their signing his petition,) to present a petition to the Judge of the County Court of the County or united Counties in which such debtor is residing
- 10 at the time of presenting his petition, setting forth a full account of his debts, and the names, residences and occupations of his creditors, and also a full account of his estate and effects, whether in possession, reversion or expectancy, and of all debts and rights due to or claimed by him, and of all property of what kind soever held in trust for him, and also setting
- 15 forth that he is unable to meet his engagements with his creditors, and the true cause of such inability, and also setting forth such proposal as he is able to make for the future payment or compromise of such debts or engagements, and that one-third in number and value of his creditors have assented to such proposal, and praying that such proposal (or such modification thereof as by the majority of his creditors shall be determined,)
- 20 may be carried into effect under the superintendence and control of the said Court, and that he, the said petitioning debtor, may, in the mean time, be protected from arrest, by order from the said Court.

A debtor unable to meet his engagements may petition the County Judge with the consent of a certain portion of his creditors; what the petition shall contain.

- 25 **II.** Upon the presentation of the said Petition, the Judge of the said Court shall privately examine into the matter of the said Petition, and for that purpose shall have power to examine upon oath such petitioning debtor, and any creditor concurring in his petition, and any witness produced by such petitioning debtor, and if such Judge shall be satisfied of the truth of the several matters alleged in such Petition, and that the debts of such
- 30 petitioning debtor have been contracted *bona fide* and honestly, without fraud or breach of trust; and with reasonable probability, at the time of contract, of being able to pay the same, and that such petitioning debtor has made a full disclosure of his debts and credits and estate and effects, and is desirous of making a *bona fide* arrangement with all his creditors, and
- 35 that his proposal to that effect is reasonable, it shall be lawful for such Judge to direct that a meeting of all the creditors of such petitioning debtor shall be convened at such time and place as the said Judge shall appoint, notice of which meeting and of the purpose thereof, and of the order under which it is to be held, shall be given personally to every creditor or left at his last place of abode or business, by or on behalf of such
- 40 petitioning debtor, not less than fourteen days before the same is held.

Judge to examine privately into the matter of such petition.

And if satisfied may order a meeting of the creditors.