

[Insolv.]

IN THE MATTER OF L. F. LANGS, AN INSOLVENT.

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To John and Eliakim Langs, on judgment assigned ..... 200 00  
 To Charles Lyons, loan ..... 15 00

The total amount of the indebtedness shown by the schedule is \$3,328 98.

At the foot of the schedule was a list of the insolvent's assets, comprising 150 bushels of barley (unthreshed), 80 bushels of wheat (unthreshed), 100 bushels of oats, three quarters of an acre of potatoes (in the ground), 6 acres of growing corn, 4 acres of buckwheat, half an acre of turnips, and 5 tons of hay. From an examination of the insolvent on the 31st August last, it appeared that the barley yielded 227 bushels, worth 80 cents per bushel; that the three quarters of an acre of potatoes yielded from 80 to 100 bushels, worth 40 cents per bushel; that the half acre of turnips yielded 80 bushels; that the hay was worth \$10 per ton, but that the buckwheat was a failure; that he also had at the time of the assignment a span of horses worth \$120, which were not mentioned in the schedule; and that he had since raised and acquired the following property, viz.: 200 bushels wheat, worth \$1.37 per bushel, 6 acres of corn, 5 tons of hay, 6 acres of oats (unthreshed, probable yield 120 bushels,) 125 bushels of barley, sold at 93 cents per bushel, 2 acres of beans, 1 cow worth \$20, 3 spring calves worth \$6, 6 hogs worth \$10, and half an acre of potatoes; and that no part of this property has been handed over to the assignee, although demanded.

At the time of the assignment, John and Eliakim Langs appeared to have had an execution in the hands of the sheriff against the goods of the insolvent, upon which the sheriff, on the 5th of October, 1867, made the sum of \$176.90. At the same time the sheriff appears to have paid Leonard Sovereign the sum of \$328, on account of a claim made by him for rent. These two payments appeared to have exhausted the greater portion, if not the whole of the assets mentioned in the schedule. The goods comprising these assets appeared to have been divided between the execution creditors and the landlord, who are near relatives of the insolvent, and were left in his possession.

From the evidence of the insolvent it is questionable whether Sovereign was entitled to any sum at the time for rent. The insolvent states that he took a written lease from Sovereign last April. That there was a verbal lease made between them about April, 1867, the terms of which were that he should occupy Sovereign's farm and give him a fair equivalent for it, which he considers would be \$100 for last year. At that examination the insolvent stated that he had sold a portion of the produce raised this year, for which he received \$237.53, \$50 of which he had then in hand, and the balance he had paid out in expenses and necessities for his family. He appears to have paid Charles Lyons, one of his creditors, (willingly or unwillingly,) the amount of his claim in full.

By a deed of composition and discharge made under the act, bearing equal date with the assignment, but executed subsequently, a majority of the creditors of the insolvent, and representing scheduled debts to the amount of \$2,572, in consideration of the nominal sum of 5s, released

and discharged the insolvent from all liability. It is expressed in the deed that the several creditors executing it release the insolvent from all debts, claims and demands due to them from him, "and set opposite to their respective names" at the foot of the said deed. The amounts set opposite to their respective names correspond exactly with the amounts mentioned in the schedule as being due to them. Assuming the liabilities of the insolvent to be correctly stated in the schedule and release, the former at \$3,328.98, and the latter at \$2,572, the creditors joining in the discharge represent a sufficient amount and are sufficient in number to bind the remainder of the creditors.

It is objected by Mr. *Ansley*, on behalf of the non-releasing creditors, that until creditors have proved their claims before the assignee, as directed by sub-sec. 4 of sec. 11 of the act, they cannot rank upon the estate or bind other creditors by their acts.

Mr. *Ansley* also contends that the claims of certain creditors who have been paid either in part or in full, (viz., Sovereign, John and E. Langs, and C. Lyons,) who discharge, and whose claims are estimated at the full schedule amounts, should be reduced by the amount paid them, which would reduce the total amount of the debts of the discharging creditors to \$2,063, which is less than three-fourths of the whole amount of the insolvent's indebtedness.

Mr. *Tisdale*, on the other hand, contends that it is not necessary for creditors to prove their debts in order to execute a discharge. And further, with regard to the payments made to the creditors above mentioned, that the evidence only shows that certain payments were made, but not that they reduced the indebtedness mentioned in the schedule, and he puts in affidavits of John and E. Langs to show that the actual indebtedness of the insolvent to them was \$699.93, \$499.93 more than the amount mentioned in the schedule.

Neither of these learned gentlemen produce authorities bearing upon the points raised, but appear to rely upon their interpretation of the statute. It appears that neither L. Sovereign, John and E. Langs, or Charles Lyons, proved their claims before the assignee. It has been stated that some of the creditors have proved their claims, but there is no evidence of this fact before me, and I do not think the omission of any consequence, as I am of the opinion that it is not necessary for creditors to prove their debts to enable them legally to execute the deed of composition and discharge.

In the absence of proof to the contrary, the amounts mentioned in the schedule and sworn to by the insolvent must, I think, be taken to be correct, and I feel that I have no discretion in this case, but must be governed by the schedules in computing the numbers and amounts of the debts of creditors necessary to execute the discharge. Sub-sec. 13 of sec. 5 directs how debts shall be proved under the act. No other method is given. I am clearly of the opinion that I have no power to adjudicate upon the claims of John and E. Langs, and that the amount of their claim cannot be increased by affidavit filed upon the application to me for a confirmation of the discharge. My jurisdiction