

only in pursuance of an antecedent agreement, but also in response to the demand of the creditor, (c) So although an assignment of all the debtor's property is fraudulent and an act of bankruptcy, even when made under pressure, (see IV. post), it is otherwise where it is made in furtherance of an antecedent contract. (d) But an assignment by way of security will be set aside where the taking of it was deliberately postponed until the debtor was in a state of insolvency, and the intention from the very first, was that it was not to be taken until the circumstances of the debtor should render it necessary to do so, (e) or where the giving of the security was postponed in order to prevent the impairment of the debtor's financial status. (f) Such an assignment, however, will be upheld, where the creditor has been making further advances to the debtor on the faith of the agreement that the security was to be given when called for. (g) That the pressing creditor has taken additional security for his debt will not affect his rights where there is no abandonment of the original contract. (h)

II.—What circumstances constitute legal pressure.

17. Generally — In considering the general effect of the decisions which have defined the scope of the doctrine of pressure it is necessary to bear in mind the fact that the word "voluntary" which was used by Lord Mansfield (see sec. 1 ante) to describe one of the essential ingredients of a fraudulent preference is ambiguous in meaning. On the one hand it is apparent that the mental condition which is denoted by this word suggests as its antithesis the mental condition which exists when the debtor has lost, by reason of some external influence of a positively coercive nature, a substantial part of his power to exercise his will freely in choosing between alternative courses of conduct. In this point of view the operation of

(c) *Bills v. Smith* (1865) 6 B. & S. 314; *Hunt v. Mortimer* (1829) 10 B. & C. 44; *Vacher v. Cocks* (1830) 1 B. & Ad. 145; *Allan v. Clarkson* (1870) 17 Grant Ch. 570. (See also sec. 32, post.)

(d) *Harris v. Rickett* (1859) 4 H. & N. 1; *Brayley v. Ellis* (1882) 1 Ont. Rep. 119; aff'd 9 App. Rep. 565.

(e) *Webster v. Crickmore* (1898) 25 Ont. App. 97. Compare *Breese v. Knox* (1897) 24 Ont. App. 203.

(f) *Ex parte Fisher* (1872) L.R. 7 Ch. App. 636. Compare the British Columbia case cited in sec. 33 post.

(g) *Ex parte Wilson* (1875) 33 L.T.N.S. 62.

(h) *Ex parte Seals* (1864) 10 L.T.N.S. 315