

to allow, but it was probable that it was allowed because, in the view of the learned Judge, the action of the appellant had already resulted practically in the destruction of the goodwill.

*Appeal dismissed with costs.*

FIRST DIVISIONAL COURT.

JULY 4TH, 1917.

KARCH v. EDGAR.

*Fraudulent Conveyances—Sham Considerations—Intent to Defraud Creditors—Action by Judgment Creditor to Set aside Conveyance of Land and Assignments of Mortgages—Judgment Debtor Divesting himself of all his Property—Findings of Fact of Trial Judge—Appeal.*

Appeal by the defendant Ernestina Edgar from the judgment of FALCONBRIDGE, C.J.K.B., at the trial at Guelph, in favour of the plaintiff, the wife of the defendant Charles Frederick Karch, in an action brought by her, after a judgment for alimony obtained by her, on behalf of herself and all other creditors of her husband, to set aside as fraudulent against creditors a conveyance by him to the appellant (his sister) of a lot in the town of Hespeler and assignments by him to her of two mortgages.

The appeal was heard by MEREDITH, C.J.O., MACLAREN, MAGEE, HODGINS, and FERGUSON, JJ.A.

R. McKay, K. C., for the appellant.

P. Kerwin, for the plaintiff, respondent.

MEREDITH, C.J.O., read the judgment of the Court. He said that the land conveyed and mortgages assigned comprised the whole of the husband's property except a debenture for \$1,900 and one for \$500. The \$1,900 debenture was parted with by the husband to his brother Henry; and the \$500 debenture was assigned to Henry in trust for the husband's two children. The allegation of the appellant as to all these transactions was that they were made in good faith and for the considerations expressed, and that the considerations were actually paid at the time when they were executed.

It was clear upon the evidence that it was in the mind of the husband as early as 1912 to put the lot in Hespeler and the mort-