In fact, Kerr, Brown & McKenzie never were creditors of Brown, Gillespie & Co. for $10,155 and they could not by deliberately breaking their own contracts, as above stated, directly or indirectly rank on Brown, Gillespie & Co. for that sum. A bona-fide holder of the bill could alone do so, and what is stated as to the right of ranking of the Bank of Montreal would apply to any persons to whom the note was transferred with notice.

10. As to the second question

The answer to the first question shews to a great extent the rights of the parties and how far they could be affected by the Bank of Montreal or those claiming, as indorsers of the note.

Kerr, Brown & McKenzie were bound by the composition deed to accept the composition thereby fixed, on whatever was the true legal amount of the demand which they could make on Brown, Gillespie & Co., and they could not evade this by refusing to take up the $10,155 note.

They never were the creditors of Brown, Gillespie & Co. for $10,155 on the note in question, what took place as to changing the figures in the statement did not make them creditors for $10,155, and indeed if Brown, Gillespie & Co. had been acting in collusion with Kerr, Brown & McKenzie and endeavouring to make them creditors for $10,155 they could not have done so. Any creditor could, without difficulty, cut down Kerr, Brown & Mckenzie's claim to its true figure.

The statement should have shown the Bank of Montreal creditors for $10,155, and Kerr, Brown &