

creditors of the bargainor, and shall be registered as hereinafter provided, within five days from the executing thereof, otherwise such sale shall be absolutely void as against the creditors of the bargainor and as against subsequent purchasers or Mortgagees in good faith. Registration of sale.

III. Any Mortgage of goods and chattels executed in good faith after the passing of this Act, for the purpose of securing any future advances, to be made upon an agreement in writing, entered into between the parties for making such advances, and for the purpose of enabling the Mortgager to enter into and carry on any business with such advances, the time of re-payment of such advances not being longer than one year from the making of such agreement and Mortgage, or for securing the Mortgagee against any endorsement of any bills or promissory notes or any other liability entered into for the Mortgager, not extending for a longer period than one year from the date of such Mortgage, and in which Mortgage is fully set forth, by way of recital or otherwise, the terms, nature and effect of such agreement, and the amount of liability intended to be created, if accompanied by an affidavit of a witness thereto of the due execution thereof, and an affidavit of the Mortgagee (or if the agreement has been entered into and Mortgage taken by an agent duly authorized in writing to make such agreement and take such Mortgage, if aware of the circumstances connected therewith, then by an affidavit of such agent) that such Mortgage truly sets forth the agreement entered into between the parties thereto, and truly states the extent of the liability intended to be created by such agreement and covered by such Mortgage, and that such Mortgage is executed in good faith and for the express purpose of securing the Mortgagee against the payment of the amount of such his liability for the Mortgager, and not for the purpose of securing the goods and chattels mentioned therein against the creditors of the Mortgager, nor to prevent such creditors from recovering any claims which they may have against such Mortgager, and registered as hereinafter provided, shall be as valid and binding as Mortgages mentioned in the preceding section of this Act. Mortgages of personals may be validly made as security against future liability, in certain cases.

Affidavit of mortgagee or his agent.

Registration of mortgage.

IV. All the Instruments mentioned in this Act, whether for the sale or Mortgage of goods and chattels, shall contain such efficient and full description thereof that the same may be thereby readily and easily known and distinguished. Efficient description of the property required.

V. The Instruments mentioned in the preceding sections shall be registered in the office of the Clerk of the County Court of the County or Union of Counties where the Mortgager or bargainor therein, if a resident in Upper Canada, shall reside at the time of the execution thereof, and if he be not a resident, then in the office of the Clerk of the County Court of the County or Union of Counties where the property so mortgaged or sold shall be, at the time of the execution of such instrument; and such Clerks are hereby required to file all such instruments aforesaid Where the Instrument creating the mortgage may be registered.