

insolvency, to the knowledge of both debtors and creditor, and there was an intention to give and to obtain an unjust preference. There was pressure, and there was no agreement to give credit or supply future goods save for cash. The debtors (Tripp & Steenbrugh) were insolvent when they gave the chattel mortgage and assigned the book-debts. According to the decided cases, the doctrine of pressure covered all this and defeated the right of the assignee and attacking creditors.

The attack upon the plaintiff company's security was, however, based upon another ground. The mortgage was said to be void for failure to comply with the Bills of Sale and Chattel Mortgage Act, R.S.O. 1914 ch. 135, as the affidavit of bona fides was made by Mr. Craig, the secretary-treasurer of the plaintiff company, and he had not made the statement required by sec. 12 (3), "that the deponent is aware of all the circumstances connected with the mortgage . . . and has personal knowledge of the facts deposed to."

Reading the statute apart from cases, no one can doubt that the statement is essential.

Reference to *Bank of Toronto v. McDougall* (1865), 15 U.C.C.P. 475; *Freehold Loan and Savings Co. v. Bank of Commerce* (1879), 44 U.C.R. 284; *Universal Skirt Manufacturing Co. v. Gormley* (1908), 17 O.L.R. 114; *Ferguson v. Wilson* (1866), L.R. 2 Ch. 77, 89.

The enactment, sec. 12 (3), is general in its terms, and refers to all officers or agents of a corporation.

For this reason the mortgage was void as against creditors.

In the result, the claim to the proceeds of the book-debts was established; but the claim to the proceeds of the goods failed.

As success was divided, there should be no costs to or against either of the parties. The defendant should have his costs out of the proceeds of the goods.

ROSE, J.

MAY 28TH, 1920.

***BONHAM v. BONHAM.**

*Promissory Notes—Action on, by Executor of Deceased Payee—
Defence—Oral Agreement between Maker and Payee—Agree-
ment in Defeasance of Contract Contained in Notes—Evidence
—Inadmissibility—Interest.*

Action by the executor of the will of Elizabeth Bonham, deceased, against the plaintiff's brother, both being sons of the deceased, upon two promissory notes, each dated the 12th May,