

No. 96.

1st Session, 6th Parliament, 21 Victoria, 1858.

BILL.

An Act to prevent the fraudulent conveyance
of immoveables charged with hypothecs,
after the institution of legal proceedings
to enforce payment thereof.

Received and read, first time, Monday, 26th
April, 1858.

Second reading, Wednesday, 28th April, 1858.

MR. CHAPAIS.

TORONTO :

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An Act to prevent the fraudulent conveyance of immoveables charged with hypothecs, after the institution of legal proceedings to enforce payment thereof.

WHEREAS it often happens, that debtors with the view of defrauding their creditors, sell or alienate their immoveables after suits have been instituted by their creditors for the recovery of the debts for the due payment of which such immoveables are hypothecated, and by so doing expose them to the inconvenience of instituting new suits, and frequently to the loss of their debts, and it is expedient to adopt measures for the prevention of frauds of this nature : Therefore Her Majesty, &c., enacts as follows :

Preamble.

I. Any sale or alienation of any immoveable charged with hypothec, after any suit shall have been commenced for the recovery of the debt for the payment whereof the said immoveable is hypothecated, shall be null and void, as regards the creditor, who shall be at liberty to proceed to the seizure and sale of such immoveable, as though such sale or alienation had not taken place.

Sale, &c., of land charged with hypothec after suit begun not to affect the creditor.

II. This Act shall apply to Lower Canada only.

Act limited to Lower Canada