

given up any valuable security which he held for the payment of the debt so paid, unless the valuable security is restored to the creditor, nor to the substitution in good faith of one security for another security for the same debt, so far as the debtor's estate is not thereby lessened in value to the other creditors. Nor shall anything herein contained, invalidate a security given to a creditor for a pre-existing debt, where by reason or on account of the giving of the security, an advance of money is made to the debtor by the creditor in the *bona fide* belief that the advance will enable the debtor to continue his trade or business, and to pay his debts in full;

(5) The debtor may, in the first place, with the consent of a majority of his creditors having claims of one hundred dollars and upwards, computed according to the provisions of Section 19, make a general assignment for the benefit of his creditors to some person other than the Sheriff and residing in this Province;

(6) No person other than a permanent and *bona fide* resident of this Province shall have power to act as assignee under an assignment within the provisions of this Act, nor shall any such assignee have power to appoint a deputy or to delegate his duties as assignee to any person who is not a permanent and *bona fide* resident of this Province; and no charge shall be made or recoverable against the assignor or his estate, for any services or other expenses of any such assignee, deputy, or delegate of any assignee, who is not a permanent and *bona fide* resident of this Province as aforesaid.

4. Every assignment made under this Act for the general benefit of creditors shall be valid and sufficient if it is in the words following, that is to say: "All my personal property which may be seized and sold under execution, and all my real estate, credits and effects," or if it is in words to like effect; and an assignment so executed shall vest in the assignee all the real and personal estate, rights, property, credits and effects, whether vested or contingent, belonging at the time of the assignment to the assignor, except such as are by law exempt from seizure or sale under execution; subject, however, as regards lands, to the provisions of the Registry law as to the registration of conveyances.

5. If any assignor or assignors, executing an assignment under this Act, for the general benefit of his or their creditors, owes or owe debts, both individually, and as a member of a co-partnership, or as a member of two different co-partnerships, the claims shall rank first upon the estate by which the debts they represent were contracted, and shall only rank upon the other after all the creditors of that other have been paid in full.

6. (1) A majority in number and value of the creditors who have proved claims to the amount of one hundred dollars or upwards, may at their discretion substitute for the Sheriff, or for an assignee under an assignment to which sub-Section 2 of Section 3 of this Act applies, a person residing in the County in which the debtor resided, or carried on business at the time of the assignment. An assignee may also be removed and another assignee may be substituted, or an additional assignee may be appointed by a Judge of the Supreme Court sitting in Equity, or of the County Court of the County where the assignment is registered;

(2) Where a new assignee is appointed the estate shall forthwith vest in him without a conveyance or transfer. The new assignee may register an affidavit of his appointment in the office in which the original assignment was filed, and such an affidavit may also be registered under the Registry Act. The registration of the affidavit under the Registry Act shall have the same effect as the registration of a conveyance.

7. (1) Save as provided in the next succeeding sub-Section, the assignee shall have an exclusive right of suing for the rescission of agreements, deeds and instruments or other transactions made or entered into in fraud of creditors, or made or entered into in violation of this Act;

(2) If at any time any creditor desires to cause any proceeding to be taken which in his opinion would be for the benefit of the estate, and the assignee, under the authority of the creditors or inspectors, refuses or neglects to take such proceeding after being duly required so to do, the creditor shall have the right to obtain an order of a Judge of the Supreme Court sitting in Equity authorizing him to take the proceeding in the name of the assignee, but at his own expense and risk, upon such terms and conditions as to indemnity to the assignee as the Judge may prescribe, and thereupon any benefit derived from the proceeding shall belong exclusively to the creditor instituting the same for his benefit; but if before such order is granted the assignee shall signify to the Judge his readiness to institute the proceedings for the benefit of the creditors, the order shall prescribe the time within which he shall do so, and in that case the advantage derived from the proceeding, if instituted within such time, shall appertain to the estate.

8. If the person to whom any gift, conveyance, assignment, transfer, delivery or payment, as in Section 2 of this Act is mentioned, has been made, shall have sold or disposed of the property which was the subject of such gift, conveyance, assignment, transfer, delivery or payment, or any part thereof, the moneys or other proceeds realized therefor may be seized and recovered in any action under the last preceding Section as fully and effectually as the property if still remaining in the possession or control of such person could have been seized or recovered.

9. An assignment for the general benefit of creditors under this Act shall take precedence of all judgments and of all executions not completely executed by payment, subject to the claims of any execution creditors for the fees and expenses of the Sheriff or other officer incurred on such executions prior to the assignment.

10. No advantage shall be taken or gained by any creditor of any mistake, defect or imperfection in any assignment under this Act for the general benefit of creditors if the same can be amended or corrected, and if there be any mistake, defect or imperfection therein, the same shall be amended by any Judge of the Supreme Court sitting in Equity, or of the County Court aforesaid, on application of any creditor of the assignor or of the assignee, on such notice being given to other parties concerned as the Judge shall think reasonable, and the amendment when made, shall have relation back to the date of the said assignment.

11. (1) The assignee shall receive such remuneration as shall be voted to him by the creditors at any meeting called for the purpose after the first dividend sheet has been prepared, or by the inspectors in case of the creditors failing to provide therefor, subject to the review of the County Court of the County in which the assignment is registered, or the Judge thereof, if complained of by the assignee or any of the creditors.

(2) In case no remuneration is voted to the assignee by the creditors or the inspectors, the amount shall be fixed by the said Judge.

12. (1) No assignment for the general benefit of the creditors under this Act shall be within the operation of "The Bills of Sale Act, 1893," but a notice of the assignment shall, as soon as conveniently may be, be published at least once in the *Royal Gazette*, and in one newspaper at least having a general circulation in the