

he may sell all the assets for a fixed price, or a dollar rate upon the amount of liabilities. If after the appointment of assignee, the insolvent takes out, or continues any proceedings in his own name, he must give security for costs before the other party requires to plead or proceed. If any partner becomes insolvent the partnership is dissolved, and the assignee has the same rights of action against the other partners as the insolvent would have had had the partnership been otherwise dissolved. Any creditor may, on the refusal of the assignee or inspectors, obtain the order of a judge to take any proceeding, at his own risk, which he may think beneficial for the estate. Purchasers of debts acquire all rights of the insolvent or assignee against debtors, but have no warranty except of assignee's good faith. Sales of real estate must be advertised for 2 mos., unless the time is abridged by the creditors, with approval of the judge, to not less than 1 month. In Quebec the hypothecary creditors must consent. If the price offered is too small the property may be withdrawn. The deed executed by the assignee has the same validity as a sheriff's deed. In Quebec the sale may be made subject to such charges as are allowed to remain on the property after sheriff's sale. The assignee obtains the registrar's certificate, and collocates the privileged and hypothecary creditors, according to it, in the dividend sheet. Assignees are officers of the court, and subject to the orders of the court or judge. Proceedings are summary, by order of the judge or rule of court in term. The judge may imprison as for contempt of court, or dismiss an assignee for disobedience to such orders or rules. An assignee may resign or be removed at a meeting of the creditors, and be replaced in like manner. The creditors decide upon the remuneration of the *interim* official assignee, guardian and assignee. If they neglect it the assignee inserts their amounts in a dividend sheet, his own not to exceed 5 p. c. of the cash receipts. When the place of assignee is vacant the estate is under the control of the judge. When the assignee has wound up the estate he applies for his discharge, first giving notice to the insolvent and the inspectors, or creditors if there are no inspectors. After hearing the parties the judge grants it absolutely or conditionally, or withholds it.

Dividends.

Within one month after notice of his appointment, or as soon after that period as possible, and every three months thereafter, the assignee must make up a statement of his proceedings for the information of the creditors, and, at similar intervals, a dividend sheet. Debts due and payable, and due but not payable, subject to rebate of interest, may be proved. A surety, or one liable on a debt, paid subsequently to insolvency, takes the place of the creditor, to whom it is paid as claimant. The assignee may reserve money to meet contingent or conditional claims, or, by order of the judge, award an amount as the value of such a claim on which to rank it for dividend. No lien or privilege, except for costs, is acquired to any creditor who, after judgment, has taken out a writ of execution and seized the property of the debtor, if, before the assignment or order for compulsory liquidation, the money proceeds of sale have not been actually paid over. A creditor secured can only rank for the difference between the total amount of his claim and the amount of such security declared under oath. The inspectors or creditors decide whether he shall retain such security at the valuation, or assign it at 10 p. c. advance. If they fail to do so, the assignee acts at his own discretion. No claim, or part of it, shall be ranked on more than once, and the assignee may, at any time, require any creditor to state, under oath, if he has received anything on account since filing his claim. If he neglect or refuse he is not collocated. A claim against a person who is insolvent personally, and as member of a firm, or of two firms, shall rank first against the estate which contracted the debt, and only against the other when its creditors are paid in full. The creditors settle the allowance to be made to the insolvent. Costs incurred in actions against the insolvent, up to the time of the assignment, rank as part of the demand; incurred after, are not ranked. Clerks and employees rank, by special privilege, for 4 mos. arrears of salary; or more, if allowed by creditors. Notice, by advertisement, is given of a dividend sheet so soon as prepared, and dividends not objected to are payable one day after the last insertion of it. The necessary amounts for dividends of creditors not filing their claims are reserved by the assignee, who notifies them, but, if not claimed before the last dividend, such sums are included in it and go to the other creditors. Disputes respecting claims or dividends are heard and determined by the assignee. His decision is final, unless appealed from, in 3 days after notice thereof is served on the parties. Inspectors, or the assignee, may order the contestation of any claim they consider objectionable, at the expense of the estate. The proceedings for sale of property, under a writ of execution, may be stayed by order of court upon the application of the assignee, &c., the seizing creditor ranking, by privilege, for costs; or the sale may be proceeded with and moneys paid over to the assignee. Dividends remaining unpaid in bank, 3 years after the discharge of the assignee, are transferred to the government. It pays them over to the proper claimant when called for, with 4 p. c. interest.

Leases.

A lease of property worth more than the rent may be sold. The creditors may terminate the lease at the end of the next yearly period, at a meeting held at least a month before it, notice being forthwith given to the lessor, who may put in his claim for damages to be dealt with like other claims. The landlord's preferential claim in Ontario, N.B., and N.S. is only for 1 yr. next before the assignment or issue of writ.

Appeals.

An appeal lies from the award of an assignee to the judge, but must be taken within 3 days of the notification of award. An appeal from the judge lies, in Quebec, to the Court of Review or Q. B.; in Ontario, to either of the Superior Courts or to a judge thereof; in N. B. and N. S. to the Supreme Court or a judge thereof; but appeals to a single judge, on a case stated, may be referred by him to the Court. Notice of appeal must be given and security put in within 5 days.

Frauds, &c.

Contracts gratuitously made, or for a merely nominal consideration, within 3 mos. of assignment or writ, or contracts obstructing the recourse of creditors, made after the one party knew of the other's insolvency or had cause to know it, or after it was notorious, are