

called as aforesaid that the goods and effects of the debtor exceed the said value of one hundred pounds the Inspector holding such meeting will summarily proceed to rank the debts which shall be proved at such meeting according to their respective preferences and to direct the proceeds of the bankrupt estate to be forthwith distributed accordingly by a trustee or trustees to be then elected by the greater part of the creditors in number or value attending at such meeting and in such case the debtor at such first meeting attend before the creditors to account for his bankruptcy and shall being thereunto required do and perform all such other matters and things as may be required of him by order of the Inspector for the better administration of his estate and if at the said first meeting it shall still appear to the Inspector before whom the same is holden that the available assets of the said estate do not exceed the amount of one hundred pounds it shall and may be lawful for the said Inspector to rank the creditors who shall prove their debts at such meeting according to the legal order of their preference and for the creditors to elect a trustee or trustees for the collection administration and distribution of the estate of the said debtor according to the order of ranking and to direct the said trustee or trustees forthwith to collect administer and distribute the same accordingly and further at the said meeting the said Inspector shall execute all the powers and authority which may be executed by him at any meeting of creditors under the provisions of this Act and shall also do and perform thereat all matters and things required to be done for the final settlement of the said estate and the majority of the creditors present at the said meeting shall then determine what part of the wearing apparel bedding household furniture and tools of trade of the debtor shall be excepted from the sale of his moveable property and shall be allowed to him and shall also give to the said trustee or trustees such directions as to the management of the said estate as to them shall seem fit and no other meeting shall thereafter be holden unless upon cause shown the said Inspector shall think fit to order the same.

Hearing of  
petition

14. In case it shall happen that the several meetings of creditors last aforesaid shall not have been holden before the day appointed by the Supreme Court for the hearing of a petition of a debtor the hearing of the said petition shall be adjourned by the Court until any day after the said meetings shall have been holden that the said Court may think to appoint.

Where meetings  
of creditors to be  
holden

15. In all cases where any meetings of creditors for the proof of debts or for the election of trustees shall be appointed the same shall take place before the Inspector in Bankruptcy acting in and for the Province or district wherein the debtor shall reside and the said Inspector shall take the votes of the creditors and declare the person or persons elected trustee or trustees of the said estate.

Meetings of  
creditors how to  
conducted

16. All business which may be transacted at any meeting of creditors called for the transaction of any business whatsoever either under the provisions of this Act or the said recited Acts shall be conducted in accordance with the rules of the Supreme Court which are now or hereafter may be made for the conduct of meetings of creditors and the transaction of business.

Attendance  
delivery of  
inventory and  
surrender by  
debtor at the  
meeting for  
electing trustees

17. At the meeting for electing trustees and at any adjournment thereof the debtor shall attend before the creditors to account for the said bankruptcy and shall being thereunto required by the creditors lodge with the Inspector to be by him delivered to the trustee or trustees when confirmed a true inventory of the whole of such estate and effects real and personal wheresoever the same may be situated and of all estate and effects in expectancy or contingency or to which the debtor may have any eventual right and all debts due to and by him to the best of his knowledge and belief and all books of accounts papers writings documents bills and vouchers relating to the said estate which are in his custody or power and the said debtor shall upon being thereunto required surrender the said books papers writings documents bills and vouchers to the Inspector to be by him delivered to the trustee or trustees when confirmed.

Proof of debts

18. Every creditor shall prove his debt against the said estate by affidavit or otherwise to the satisfaction of the Inspector who shall admit any debt or reject the same as not proved subject to appeal from his decision to any Judge of the Supreme Court and it shall and may be lawful for the said Judge on the application of any party interested finally to admit or reject any debt admitted or rejected by the said Inspector or to allow any action which may have been instituted for the proof or recovery of any such debt against the debtor prior to the sequestration and which has in consequence thereof been stayed to be proceeded in after the election of a trustee or trustees shall have taken place and after the trustee or trustees so elected shall have been duly summoned to take up and defend such action and if the plaintiff shall thereafter obtain judgment thereon he shall be ranked on the bankrupt estate for the amount of such judgment.

What debts  
proveable in cases  
of mutual credit

19. All debts due by any debtor at the time of adjudication or surrender may be proved against his estate and when there has been mutual credit given by the debtor and any other person or where there are mutual debts between the debtor and any other person upon which a set off can by law be pleaded on either side the Inspector taking the proof of debt shall thereupon state the account between them and shall set one debt or demand against the other and what shall appear due on either side on the balance of such account and no more shall be allowed to be proved or claimed or paid on either side respectively Provided that the person claiming the benefit of such set off had not when such credit was given or when the cause of his debt accrued notice of the said bankruptcy and provided always that it shall and may be lawful for any Judge of the Supreme Court on application of any person interested who shall consider himself aggrieved by any such decision of any Inspector to review the same and to pronounce such judgment or to direct or allow such further proceedings as to the Judge shall appear just and proper.

No person eligible  
for election as  
Trustee unless  
present, or  
assenting  
trustees elected  
to be reported to  
Court and  
confirmed

20. No person shall be eligible to be elected as a trustee in any sequestrated estate unless he shall be present at the meeting of creditors whereat he shall be elected and signify his assent thereto or if he be absent therefrom unless he shall have signified in writing his consent to such election.

21. Whenever any trustee or trustees shall have been elected as aforesaid it shall be the duty of the Inspector to report the same to the Supreme Court or a Judge thereof whereupon the said Court or Judge may confirm the appointment of the said trustee or trustees or make such other order for the election of a fresh trustee or fresh trustees as may seem just And in case after due notice has been given to the creditors in manner aforesaid the said creditors shall neglect or fail to elect a trustee or trustees then it shall be lawful for the Inspector to appoint a person or persons to act as trustee or trustees and the appointment of such person or persons to act as trustee or trustees may be confirmed by the Supreme Court or a Judge thereof.