

Although the court has denied an insolvent the benefit of a discharge, such determination is not an adjudication *in rem*, and does not of itself set aside a conveyance as fraudulent, nor is it evidence in a case to the latter end. *Syester v. Brewer*, 27 Md. 313.

Failure of applicant to file a schedule does not rescind appointment of the trustee, but does debar the applicant from a discharge. *Teackle v. Crosby*, 14 Md. 20.

If facts tend to show that insolvent has been guilty of acts prohibited by this section, it is duty of court to have issues framed. *Jaeger v. Requardt*, 25 Md. 241.

This section relates only to cases of insolvency. *Triebert v. Burgess*, 11 Md. 462.

A deed for benefit of creditors, discussed in connection with this section. *McColgan v. Hopkins*, 17 Md. 401.

An. Code, 1924, sec. 8. 1912, sec. 8. 1904, sec. 8. 1888, sec. 8. 1854. ch. 193, sec. 7.

8. Any confession of judgment, and any conveyance or assignment made by any insolvent under this article, for the purpose of defrauding his creditors or giving an undue preference, shall be void, and the property or thing conveyed or assigned shall vest in the trustee; and all acts done by the petitioner before his application, when he shall have had no reasonable expectation of being exempted from liability to execution, on account of his debts or responsibilities, without petitioning for the benefit of the insolvent laws, shall be deemed to be within the meaning and purview of this section.

When conveyances, etc., are fraudulent and void.

This section contemplates a class of cases in which the acts of an insolvent cannot be avoided although he may be actually insolvent at the time. The terms "no reasonable expectation of being exempted," etc., imply a knowledge or belief on the part of the insolvent of his inability to pay his debts. This section makes void or voidable only such acts as the debtor may be presumed to have done in derogation of the rights of creditors, with the view of becoming an insolvent. *Williams v. Cohen*, 25 Md. 497.

The preference referred to in this section is one given in contemplation of insolvency. A deed for the benefit of creditors held valid under this section. *McColgan v. Hopkins*, 17 Md. 401. See also *Malcolm v. Hall*, 9 Gill, 180.

Where the grantor in a deed never takes the benefit of the insolvent law, it cannot be claimed that the deed was made with a view of becoming an insolvent. A construction of the words "with a view" of becoming an insolvent. *Wheeler v. Stone*, 4 Gill, 46.

Transfers valid, although made when the debtor was in failing circumstances. *Glenn v. Grover*, 3 Md. 225; *State v. Bank of Maryland*, 6 G. & J. 220.

The fact that a deed in the nature of a mortgage provides for the payment of debts barred by a discharge in insolvency, does not render such deed fraudulent in fact. *Wilson v. Russell*, 13 Md. 528.

An attempt to set aside a conveyance as fraudulent and made in contemplation of insolvency, denied. What must be established to avoid such a conveyance? Lapse of time between the conveyance and the application in insolvency. *Powles v. Dilley*, 2 Md. Ch. 123; *Glenn v. Baker*, 1 Md. Ch. 76; *Malcolm v. Hall*, 9 Gill, 180; *Beatty v. Davis*, 9 Gill, 218; *Powles v. Dilley*, 9 Gill, 231.

A judgment to the effect that a party is not entitled to a discharge because of having made a deed to B. which was a preference, is not an adjudication *in rem* and conclusive upon the rights of B. The status of the property is not involved in such verdict and it is not evidence against B. After the lapse of twenty years, an insolvent estate is presumed to be closed, and equity will not entertain a bill to set aside conveyances made by the insolvent before his application, unless it is satisfied that there are subsisting debts due by the insolvent. Both the intent to take the benefit of insolvency and to give an unlawful preference must appear to bring an act under this section. Proximity of time as an element in determining such intent. *Syester v. Brewer*, 27 Md. 313. See also *Maennel v. Murdock*, 13 Md. 177; *Falconer v. Clark*, 7 Md. 177; *Powles v. Dilley*, 9 Gill, 222.

Assignment held to have been made with an expectation of becoming an insolvent. Proximity of time of assignment and application. *Dulaney v. Hoffman*, 7 G. & J. 175; *Brooks v. Thomas*, 8 Md. 371. For a failure of such proof, see *Hickey v. Farmers' Bank*, 5 G. & J. 380.

Whatever is the necessary consequence of an act deliberately done, the law presumes every man to intend. When the *quo animo* becomes an inference of law. Correct instruction under this section. *Gardner v. Lewis*, 7 Gill, 404.

What amounts to a preference? *Hodson v. Karr*, 96 Md. 479.

For a sale held to have been made for the purpose of defrauding creditors, see *Smith v. Pattison*, 84 Md. 344.