

to certain selected creditors to secure the payment of notes not then due, to the exclusion of other creditors who might have sued at any moment, and, seventeen days after, took the benefit of the insolvent laws without attempting to adjust their difficulties. But under the Acts prior to the Act of 1834, ch. 293, it was well settled that the meaning of the word "insolvent debtor" was one taking the benefit of the insolvent laws, and that to avoid a deed in favor of a particular creditor the deed must have been made with a two-fold intent, 1°, with a view or under the expectation of the grantor's becoming an insolvent, and 2°, with intent to give an undue and improper preference, *Kennedy v. Boggs*, 5 H. & J. 403; *Powles v. Dilley*, 9 Gill, 231; *Hickley v. Farmers' Bank supra*. If in point of fact the debtor never did take the benefit of the insolvent laws, there could be no pretence for saying that the deed was made with any such **399** intent, *Wheeler v. Stone*, 4 Gill, \*38, and the principle would apply equally to the old and new law. And the insolvency of the grantor or the grantee's knowledge of it is, under those Acts, immaterial, unless the undue preference was given with the expectation on the part of the grantor of taking the benefit of the insolvent laws, *Falconer v. Griffith supra*. But by the Act of 1834, ch. 293, in conveyances, &c. by an insolvent, the absence of a reasonable expectation on his part of being exempted from execution on account of his debts, without an application for the benefit of the insolvent laws, is made equivalent to this two-fold intent of becoming an insolvent and of giving an undue and improper preference. But a creditor not having notice of his grantor's insolvency is not to be affected by the Act. It would seem to follow from the language of the Act, that a deed giving no preferences would be valid, notwithstanding the grantor had no reasonable expectation of avoiding a recourse to the insolvent laws, *Malcolm v. Hall*, 9 Gill, 177; see *McColgan v. Hopkins*, 17 Md. 395, *contra*. The notice mentioned in the proviso has been decided to be not a technical nor constructive notice, but an actual notice derived from a knowledge of the condition of the grantor, *Cole v. Albers supra*, where the mere examination of the books of the debtor by the preferred creditor was held no evidence of an inquiry into the extent of his assets and the amount of his liabilities. In *Gardner v. Lewis*, 7 Gill, 377, the debtor had called a meeting of his creditors, and the creditor had actual notice. And in *Brooks v. Thomas*, 8 Md. 367, it was laid down, that the knowledge of the creditor that the debtor was negotiating with his creditors, accompanied with the information that he was generally considered insolvent in his neighborhood, was, in contemplation of the Act, notice of his condition of insolvency.

---

ferred in the insolvent trustee. The grantee in such case must intervene and defend in the insolvent court. *Brown v. Smart*, 69 Md. 320; 145 U. S. 454; *Baker v. Kunkel*, 70 Md. 392; *Willison v. Frostburg Bank*, 80 Md. 196. And the fact that the grantee did not know of the insolvency of the grantor, or that the payment or transfer was intended as a preference, cannot avail to protect him. *Willison v. Frostburg Bank*, 80 Md. 212. See Code 1911, Art. 47, sec. 22, as to what constitutes acts of insolvency. Cf. *Castleberg v. Wheeler*, 68 Md. 266.