An. Code, sec. 5. 1904, sec. 5. 1888, sec. 5. 1854, ch. 193, sec. 4.

5. If the creditors, endorsers or sureties shall fail to make any allegations or propose any interrogatories, or if the same shall be answered satisfactorily or determined in favor of the insolvent, the court shall discharge the insolvent from all debts and contracts made before the filing of his petition, and he shall be released from all such debts and contracts; and such discharge and release shall embrace all cases where he is endorser or surety; and he shall not be liable to pay any joint contractor, surety or endorser who may pay any debt or perform any contract after the filing of his petition, which was entered into before the filing of such petition.

Effect of discharge.

State insolvent laws have no extra-territorial effect, and do not discharge claims of non-residents unless they participate in the insolvency proceeding. Brown *v.* Smart, 69 Md. 327 (affirmed in 145 U. S. 457); Glenn *v.* Clabaugh, 65 Md. 68; Pinckney *v.* Lanahan, 62 Md. 450; Potter *v.* Kerr, 1 Md. Ch. 280. And see Boyle *v.* Zacharie, 6 Pet. 635.

And fact that non-resident brings suit here does not subject his debt to the operation of our insolvent laws. Poe *v.* Duck, 5 Md. 6.

As to acts of a non-resident which will subject his debt to our insolvent laws, see Jones *v.* Horsey, 4 Md. 311.

Formerly a discharge did not affect right of foreign creditors to obtain an unqualified judgment and to execute upon any property in hands of insolvent trustee undistributed. The cases so holding were, however, overruled in Pinckney *v.* Lanahan, 62 Md. 449, deciding that insolvent trustee takes a good title as against a non-resident creditor and that assets in his hands cannot be attached by such creditor. See note to Larrabee *v.* Talbott, 5 Gill, 426.

It is doubtful whether a debtor is not discharged from a contract of subscription to stock under this section. Anything that falls within definition of debt or contract would seem to be embraced. Glenn *v.* Clabaugh, 65 Md. 67.

Under act of 1805, ch. 110, the discharge covers a bond executed before insolvent's application, though the breach occurs after such discharge. State *v.* Culler, 18 Md. 419.

Where upon the dissolution of a partnership, one partner agrees to pay the debts of the firm but subsequently goes into insolvency, he may be sued by solvent partner who has to pay the firm's debts, on any debts maturing after his discharge. Berry *v.* McLean, 11 Md. 97.

In a suit on a promissory note made by a husband and wife, the discharge of husband does not affect wife's liability. Allers *v.* Forbes, 59 Md. 375.

Where A. is perpetually insured in a mutual fire insurance company, provided he continues to pay premium notes as called for, his discharge under this section avoids the insurance. Reynolds *v.* Mutual Fire Ins. Co., 34 Md. 388.

A discharge does not operate as an abatement of pending suit, but trustee must become a party before suit can proceed. Hall *v.* McPherson, 3 Bl. 537.

A person who has been discharged cannot sue or be sued in relation to any property transferred to his trustee. Hall *v.* McPherson, 3 Bl. 535.

The insolvent being discharged, is no longer liable to suit. Insolvent Estate of Leiman, 32 Md. 240.

Where A. gives a note which B. endorses, and subsequent to the maturity of note but before B. pays it, A. becomes an insolvent, A.'s discharge is no defense to suit by B. against him. Wharton *v.* Callan, 2 Gill, 173. (See sec. 6.)

Setting up a discharge at law and in equity.

How defense of discharge should be set up, where execution is attempted on judgment rendered prior to such discharge. Job *v.* Walker, 3 Md. 132.

If defendant fails to plead discharge to a suit resulting in judgment against him, he cannot plead it to a *sci. fa.* to revive judgment. Moore *v.* Garrettson, 6 Md. 447.

A judgment, subject to a discharge under insolvent laws, should, when revived, be taken subject to same conditions, and discharge need not again be pleaded