

For conveyances held to be *bona fide*, and hence within proviso contained in last clause of this section, see *Nicholson v. Schmucker*, 81 Md. 464; *Hinkleman v. Fey*, 79 Md. 114.

Generally.

Where a conveyance or payment is void, the title to the property vests in the insolvent trustee. Prayers correctly setting forth the facts requisite to bring a case under this section. *Willson v. Frostburg Bank*, 80 Md. 210.

Where a debtor has been adjudged insolvent on other grounds, or where the proceedings are voluntary, the trustee must proceed in other forums to have transfers, assignment, etc., set aside. This was connection in which language quoted in *Paul v. Locust Point Co.*, 70 Md. 292, from *Purviance v. Glenn*, 8 Md. 206, was used. *Vogler v. Rosenthal*, 85 Md. 46.

A conveyance made void by this section may be so declared and treated by insolvent court, although such conveyance was made to a non-resident and grantee was not summoned and did not participate in insolvency proceedings. The adjudication based upon conveyance of necessity involves the determination that conveyance is void. *Brown v. Smart*, 69 Md. 329 (affirmed in 145 U. S. 457); *Vogler v. Rosenthal*, 85 Md. 45.

While a mortgage may be void as a preference, note to secure which mortgage was given, may be valid. *Frederick, etc., Co. v. Michael*, 81 Md. 487.

What a bill to set aside deeds as in fraud of our insolvent system must allege. *Faringer v. Ramsay*, 4 Md. Ch. 38.

For cases where purchasers were held not to have acted *bona fide*, see *Smith v. Pat-tison*, 84 Md. 345.

For a note upon fraudulent conveyances, see *Swan v. Dent*, 2 Md. Ch. 111.

For cases apparently now inapplicable to this section because of changes in the law, see *Whedbee v. Stewart*, 40 Md. 421; *Mackintosh v. Corner*, 33 Md. 605; *Zeigler v. King*, 9 Md. 330.

Cited but not construed in *Third Natl. Bank v. Lanahan*, 66 Md. 469.

See secs. 8 and 24 and notes.

As to conveyances from husband to wife, see art. 45, secs. 1 and 2.

Where chattel mortgage is given in part to secure a loan made at the time and in part to secure previous indebtedness, mortgage held valid as to sum loaned but invalid as a preference when insolvency proceedings instituted within four months after giving mortgage. *Industrial Service v. Rogers*, 163 Md. 656.

Cited but not construed in separate opinion in *Hammond v. Lyon Realty Co.*, 163 Md. 455.

Cited but not construed in *Coffman v. Publishing Co.*, 167 Md. 288.

An. Code, 1924, sec. 15. 1912, sec. 15. 1904, sec. 15. 1888, sec. 15. 1888, ch. 383. 1896, ch. 184. 1935, ch. 467.

15. Whenever any person or body corporate shall make an assignment for the benefit of his, her or its creditors, or shall be adjudicated insolvent upon his, her or its petition, or upon the petition of any creditor or creditors, or shall have his, her or its property or estate taken possession of by a receiver under a decree of a court of equity, in the distribution of the property or estate of such person or body corporate, all the money due and owing from such person or body corporate for wages, salaries or commissions to clerks, servants, salesmen or employees contracted not more than three months anterior to the execution of such assignment, adjudication of insolvency, or appointment of receiver, shall first be paid in full out of such property or estate, after payment of the proper and legitimate costs, expenses, taxes and commissions, and shall be preferred to all claims against the property and estate of such insolvent person or body corporate, except the lien claims of such persons as shall hold liens upon such property or estate, recorded at least three months prior to such assignment, adjudication or decree.

Under evidence in case, held that officers and superior officers of corporation not entitled to preferential payments of claims for pre-receivership salaries. *Pyrites Co. v. Silica Gel Corp.*, 8 F. Supp. 423.

This section referred to in determining priority of labor claimants under local act where employer is in bankruptcy. *In re Rogers, etc., Co.*, 22 F. (2d), (Dist. Ct. Md.), 573.

Priority may be given claims for wages earned three months prior to receivership proceedings resulting in bankruptcy. *In re Reliable Furniture Mfg. Co.*, 32 Fed. (2nd), 805; *Manly v. Hood*, 37 Fed. (2nd), 214.