

No. 12140

Supreme Court of Illinois

^E
Matt~~A~~son, et al

vs.

Kellogg, et al

ought to have been rendered for the Plffs
in Error.

Upon the first assignment I do not
wish or intend to submit an argument
But shall confine myself to the second
and ^{3^d} assignments which are substantially
the same and may well be considered
together. There seems to me to be but one
material point in this cause. It is con-
ceded by the defendants in Error that
Wright during his lifetime was discharged
by the force and operation of the late
Bankrupt law from all his liabilities.
This fact as I understand this case will
not be controverted by the Clfts in error
as Wright's final discharge was admitted
and read in evidence in the Court below
on the part of the Plffs in Error without
objection from the Clfts.

But it is insisted that after the granting
the Certificate of Bankruptcy by the dis-
Court and before the death of Wright he
(Wright) promised to pay this debt to the Clfts.
Upon this point I apprehend this case must
turn. Upon this point both parties seem willing
to put the case. It being admitted then as
it is that Wright was discharged under
the late Bankrupt Law from all legal
obligation to pay the debt claimed in this

case. It will be conceded on the other hand that if Wright did in his lifetime make a promise which was binding in Law upon him then he should be bound by that promise. And that obligation does and ought to attach with equal force to the Advers of Wright the plaintiff's error. But this constitutes the main question in this case did Wright Promise to pay the debt claimed? Here I think that you will search the record in vain for any word or set of words which can by any reasonable construction be construed or even tortured into such promise by Wright as would bind him to pay the debt claimed in this case.

In the first place then I maintain that no such promise was in fact ever made by Wright as would create or impose upon him any legal obligation to pay the debt in question. Because it appears that the conversation referred to by the Writing Blisk (who I neglected to state was called in person in the circuit court) and relied on by the defendants as constituting a Promise was some mere loose casual conversations had on several occasions between Wright & Blisk the Writing and not between Kelloggs & Wright which to say the most only go to show some mere intention on the part of Wright to refund the money

without any intention whatever on the part
of Wright to make any real or substantial
promise which in its legal effect would
bind him to pay the debt in question
mere loose or vague words or words merely
expressive of an intention to pay are not
sufficient but the promise to bind the
promisor must ^{be} distinct and unequivocal.

Second that the words relied on to
constitute a promise were not spoken to
any person competent or in any manner
authorized to accept or entertain a promise
from Wright.

I desire now to call the attention
of the Court briefly to the evidence offered
in the Court below on behalf of the debtors
in error as contained in the record.

The first evidence offered on behalf
of the debtors in error was a receipt purporting
to have been executed by G. H. Wright to
Sylvester Blish the Witness for the sum of four
hundred dollars dated the 19th day of
May A.D. 1836 This receipt was admitted by
the Court and acted upon. The debtors in
error then called Sylvester Blish as a
Witness who testified that he was the person
named in the said receipt and that he and
Wright have the money at the time stated.

in the recpt The Witness then stated by permission of the Court on whose account he let Wright have the money. The Witness then stated that at the time he let Wright have the money he was acting as the agent of the parties to whom the money belonged to wit Saron Kellogg Hubbard Kellogg & Ralph Talcott and that he informed Wright to whom the money belonged and that Wright received the money for said Kelloggs & Talcott. Witness then proved that Talcott died before the commencement of this suit in the County Court and that the said Kelloggs are still living. That Wright on several occasions admitted to Witness that he had not invested said money in Lands for said Kelloggs & Talcott. Witness then stated that late in the year of 1836 he returned to Connecticut and made a settlement with said Kelloggs & Talcott who had furnished him the money for investment in Western Lands. That on such settlement he did surrender to said Kelloggs the recpt signed by G. H. Wright above referred to and that Kelloggs surrendered to him Witness the recpt given ^{by} him to them for the money which they originally furnished to him.

And from that time until the death of Wright and shortly before the commen

account of this suit in the County Court
said acct remained in the hands of Kelloggs

Since the death of Wright Kelloggs sent
said acct to Witup with power of atty
authorizing him Witup to collect the debt
in question Since 1836 Witup had acted
as agent for depts in paying their taxes
on lands in Henry County & selling same
But had not acted as their agent out of
said Henry County. In the letters recd by
Witup from Kelloggs the depts they had two
or three times enquired as to the solvency of
Wright or how he was getting along and
referred to this debt and enquired as
to the probability of collecting it, ~~there was~~ about
the first of January AD 1837 and
soon after receiving one of these letters
from the Kelloggs in which they enquired
about Wright Witup being in Warren
County went out of his way on his
road home to see Wright in regard to
the money named in said acct Witup
then stated that Wright and the Kelloggs
were Bros in Law Witup and Wright on
the road and after a little conversation
spoke of Kelloggs and of the money named
in the said acct Wright said he intended
to refund it to which Witup replied that
they expected him to do so Wright said he

intended to do so both Principal and interest this was in 1831

Witnup stated on cross examination that he did not inform Wright that he was agent for Kelloggs nor did Witnup then know that Wright had been declared a Bankrupt Witnup also stated that Wright had previously told him that he intended to refund the money to the debtors.

The Witnup was then requested by the Court (which does not appear in the record but such is the fact) to repeat the language of the promise to which Witnup replied that "he said" "he intended to refund the money."

The Debtors in Error then offered J. Quincy Esq as a Witnup and proved by him that Wright sometime in 1842 made an expose of his affairs to him as an attorney for the purpose of going through Bankruptcy Wright then told Witnup that he owed a debt to some persons in Connecticut named Kellogg the amount of debt not recollected but several hundred dollars.

Here the Debtors in Error closed their case and I have thought it best to set out the testimony here in substance at least in connection with what I have to say.

After this recapitulation of the evidence in this cause may I not affirm with

with the strongest possible degree of confidence that no promise was ever made by Wright, to pay the debt in question, which has in itself really any force or legal obligation by which Wright could or ought to be held liable to pay this debt. I understand the Law to be this that mere loose or vague Promises or words, spoken by a certificated Bankrupt even to the Creditor himself will not take the case out of the Statute. But the Promise must be made in words Positive and unequivocal showing upon the part of the Bankrupt a deliberate intention to waive his privilege under his discharge and to take upon him a new legal obligation to pay the debt. If such be the law then I ask does the evidence in this case show such an intention on the part of the Bankrupt Wright. The Language of the Witness in its strongest form is that Wright said that he intended to refund the money and this the Witness says was repeated on more than one occasion. The Court will observe by an examination of the record that the Witness was not certain as to the words of the promise but in every form as given it shows nothing more than a bare

intention on the part of Wright to refund the money and I maintain that words merely expressive of an intention to pay are not sufficient to bind a Bankrupt to pay a debt from which he has been discharged. But that the words used are to constitute the promise must be positive and unequivocal.

It appears that the Witness and Wright had had frequent conversations in regard to this debt and it is all very natural that they should; Wright and Kellogg were Brothers in Law and Col Bliss had given Wright the money & stood between Kellogg & Wright in the character of a mutual friend, how natural then I repeat for Wright & the Witness to speak of this money frequently and how natural it would be for Wright to express an intention to the Witness to refund the money; here then we find several intimate friends concerned in a Business transaction Wright & the Kelloggs are brothers in Law and Col Bliss the Witness is the mutual friend of both parties Col Bliss receives money from Kellogg in connection to invest in Western lands and he without any authority so to do at the time as shown by the record, save perhaps a subsequent ratification of the act by Kellogg,

handed over to Wright four hundred
dollars of this money to invest in Land
in Warren County Wright if you please
failed to apply this money properly and
so became liable to Killogg in an action
for money had and received But after
wards was discharged from this liability
by a Certificate of Bankruptcy Then
I again repeat that under all the circum-
stances of this case it is perfectly
natural that Wright and Blish should
speak together in reference to this money
and that Wright should manifest
and express an intention to refund the
money But I think it grossly unnatural
to presume that he from the language
used that he intended to retain his rights
under his discharge and make an
unconditional promise to pay. Taking
the strongest Language used by Wright
on any occasion as disclosed by the
Witness to say nothing of ^{the} Closing Paragr-
aph of the Testimony in the record in which
seems to be gathered and concentrated
all the power and force of all the conver-
sations had, and they show nothing more
than the expression of a very vague
intention to pay. But when you come
to examine this record you will find

That whatever judgement you render
in this cause must be predicated upon
the ~~the~~ final answer, of the Witness in
this cause, made to an interrogatory by
the Court which answer is in these words
he said "he intended to refund the money"
disregarding all then that has gone before
as we should do here and here only we
have the words of the promise relied on
by the defendants. I feel no hesitancy in
saying & believing that when your honor
comes to examine the words of this promise
you will find them conclusive of this
case. The promise if any exists, must
be found in the last set of words as
given by the witness for herein is express
his upmost judgement and most distinct
recollection of the words used after full
and mature reflection. Then I ask once
more are the words relied on as constitu-
-ting a promise such as will show on
the part of Wright the Bankrupt a
deliberate intention to renounce his privilege
under his discharge and to incur a new
obligation by the laws of the Land to pay
this debt I cannot think that any such
construction can be given to the language
used

In the second place I hold that granting

the words of the assumed promise to be
sufficiently explicit and clear: Then
they were not made to any person author-
ized or competent to receive such a promise.
Such promise must be made to the bona
fide holder of the indebtedness or to some
person duly authorized by the creditor to
accept such promise from the debtor.
Deputy vs Swank, 3rd Wendell 135. Now it
is not nor will not be contended that
Wright ever saw Kellogg from the time
he recd the money from Blish the Witness
until the day of his death nor did he
ever make any promise whatever to Kellogg.

And there is no portion of the evidence
which goes to show that Wright ever knew
or was ever informed that Col Blish the
Witness was acting as the agent of the
Kelloggs. The Witness says that he was acting
as the agent of Kelloggs at the time he
ld Wright have the money but he does
not even pretend that he communicated
this fact to Wright at all. He does say that
he informed Wright to whom the money
belonged & that Wright received the money
as the money of Kellogg and Talcott.
And now if we are to infer that Wright
knew that Blish was the agent of the
Kelloggs and that he so regarded him

and all this we must presume, of ~~see~~
if we conclude that Wright was in possession
of this knowledge, came from the intimacy
of the parties Kellogg, Blish and Wright
and if we should arrive at this conclusion
and decide that Wright ~~Wright~~ shall be
presumed from the intimacy of all the
parties to know that Blish was the agent
of Kellogg at the time he recd the money
and so regarded him. Then I say that
by the same rule we must presume that
Wright knew that Blish late in the fall
of 1836 went to Connecticut and made
a full settlement with Kellogg and deliver-
ed to them Wrights receipt and took up
from them his receipt which he had
executed for the money originally
and further that he Blish never since
has acted as the agent of Kellogg beyond
the limits of Henry County

But I presume that this cause will
be decided in this Court at least upon
the Law and upon the evidence as found
in the record and not upon presumptions
which may arise wholly outside of the
record. Then I say that there is no evidence
contained in the record to show that Wright ever
knew that Blish was the agent of Kellogg
or that he ever regarded him as such

Not even at the time that he received the money much less is there anything to show that Wright recognised Blish as the agent of Kellogg at the time he made the supposed promises. If Wright had known that Blish was the duly authorized agent of Kellogg and then had used the words as stated they would still be insufficient. But he was in possession of no such knowledge because the witness says expressly that he did not tell Wright that he was the agent of Kellogg and this portion of the evidence may well be applied to all the conversations referred to because the conversation rolled on and the one to which this portion of the evidence was directed was the last conversation ever had between the witness and Wright so far as shown by the record. So I conclude that upon no occasion did Wright regard Blish as the agent of Kellogg. But that he conversed with him and regarded him as a mutual friend between him and his relations the Kelloggs. And here I may say as a fact that appears upon the record that Blish never was the agent of the Kelloggs for any purpose except for paying taxes on Lands in Henry county from the fall of 1836 up to the time of Wright's

decease. soon after Wright's death. Blisk
he received the debt upon which this claim
is found together with power of atty to
collect. Now if Wright had told the
Trustee that he had undertaken and
promised Kellogg to pay this debt or if
knowing Blisk to be the agent of the Kellogg
he had undertaken in a legal form to
pay the debt either would be sufficient
But nothing of the kind is to be found in
this case. On the contrary all the conversation
had and relied on by the debt was had
with the Trustee Blisk who was not authorized
to entertain any Promise or Proposition
whatsoever. Then I maintain that although
the words of the Promise made under this
state of case may be sufficiently definite
and clear yet they are to be regarded
as spoken to third persons without any
intention on the part of the Bankrupt to
waive his rights under his discharge and of
no force against him. A marked distinction
is taken by the authorities between cases arising
under the Bankrupt Laws and mere statutes of
Limitation. It is said that the discharge
in Bankruptcy goes back to and exting-
uishes the indebtedness of the Bankrupt
while statutes of limitation effect only
the remedy. So it seems that it has been

almost universally held that to take a case out of the Statute of Bankruptcy the subsequent promise must be distinct and unequivocal. And that it must be made to the person holding the demand or indebted ^{person} or some duly authorized for him.

While a much more uncertain or vague promise will be sufficient to take a case out of the Statute of Limitations.

On the part of the Defts Below (now plaintiffs) the Certificate of Bankruptcy and Schedule of Wright were offered and admitted in evidence without objection the schedule containing the debt in question. The schedule however appears in an improper part of the record it should appear in the Bill of exceptions as a part of the evidence and it is agreed by Mr Manning and myself that it shall be so considered, as the schedule was offered and considered as a part of the evidence in the Court below and the Court will find a note to that effect on the margin of the records.

In support of the Positions above assumed I beg leave to refer the Court to the following authorities to wit

"Patterson v. Ellingwood 32nd Maine 163

Porters v. Adams as Porter 31. Maine 169

Turner v. Chrisman; Admr of John Moore

20th Ohio ³³⁹ Brown vs Collier 8th Humphreys
510, Prewitt vs Caruthers 12th Snedden & Marshall
492, Depuy vs Stuart 3 Wendell 135
Scruton vs Eislord - 7th Johnson 36
Daxthimer vs Keyser 11 Pennsylvania 364

But it is also contended that this case falls within the effect and meaning of the first section of the General Bankrupt Law approved August 19th 1841 in other words that it is a fiduciary debt and of course not effected by the discharge in Bankruptcy. Upon this point I shall not remark further than to say that I presume this point in the case will not be seriously contended for in this court by the opposite counsel. I think the authorities are clear upon this point and shall therefore content myself by referring the court to a few cases in point as I regard them.

" Chapman vs Forsythe 2nd Howard 202
Bissell vs Louchaine 15th Ohio 58
Hatten vs Speyer 5 37, Williamson vs
Dickens 5th Fredell 259, Waller Hirs vs
Edwards 5th Pettill 349

Upon this point in the case I apprehend there can be no doubt so the case must turn upon the words of the promise which are claimed by the debtors as fixing the liability of the plaintiffs.

and upon the Character of the person to
whom the Supposed Promise was made
upon which Points I have said all that I
desire to say - It will not be denied on the
one hand that Wright received the money
and on the other hand I presume it will
not be contended that Wright was not
regularly discharged from his debts under
the late Bankrupt law ^{from} the debt ~~in~~ ^{there}
claimed in this case included - So the case
stands upon the naked question of a
subsequent Promise to pay and the
words used on by the debt, as constitu-
ting ^{such} promise being in my Judgement wholly
insufficient I therefore ask that the
Judgement below shall be reversed

And as this is a case where this
Court can ascertain beyond any doubt
what Judgement should be rendered I
ask the Court that Proper Judgement
shall be entered here without remanding
the cause

Wm Davidson Atty
for Plffs in Error

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Matteson
Kellogg
For hb

Davidson

The action in this case cannot be maintained either upon principle or authority:

1. Upon principle

The rule is well settled, that a legal obligation, is a sufficient consideration to uphold either an express or an implied promise.

But the law will never imply a promise, where the foundation is a mere moral obligation.

Edwards v Davis 16 Wm R. 281. Child to support indigent parent.

See the note to this case.

2 Wm's Plead R. 137 d. note (c)

Need on bankruptcy

2 W Sand 137 d

N.E.

12 S & R. 182.

2 Rawle 351.

[2140-11]

In order to found a cause of action, upon a moral obligation, there must be an express promise to perform the duty enjoined by Conscience.

Lee v Muggridge 1 Eng. C. L R 32. Where a woman after the death of her husband promised to pay a debt contracted by her during her Coverture, she at the time of the contract having a separate estate.

Greaves v M^r Alister 2 Binn 591. Plaintiff and deft were bail for a third party in different actions - they were about to become fixed - plaintiff went to another state - found the debt - arrested & surrendered him - and defendant promised to pay his proportion of the expense.

Cooper v Martin 4 East R 76. A step child who was boarded by plaintiff during his infancy promised to pay when he became of age.

And this rule is limited in its application,
to Cases where, at some time or other, a
good or valuable consideration existed.

Mills v Wymann 3 Pick R 207. Where a father ^{promised} ~~contracted~~,
to pay a debt contracted by his Son who was of age
when the debt was created.

Carson v Clark 1 S Cas R 113. Where an owner of land
promised to pay for improvements made by
a squatter upon the land while it
belonged to the U.S.

Frear v Hardenbergh 5 John R 272. Where the owner
promised to pay an indebtedness for improvements
made without his consent, or request.

State v Sheppard 7 Conn R. 57. Where a son promised
to pay a debt contracted by an indigent
parent.

Littlefield v Shee 22 E.C.L.R 187. Where a woman after
the death of her husband, promised to pay
a debt contracted during her Coverture.
She having no separate estate.

Parker v Carter 4 Illimp R. A promise by a son to
pay the debt of his father.

Chandler v Seale 2 Hen & Munf R 124. A promise
to pay a note not founded upon a consideration
Allege v Field 2 Wash Va R. 136. A joint bond made
by principal and surety - surety died - held
his estate not chargeable in equity.

Pennington v Gittings 2 G & J. 208. Executory gifts.

Smith v Ware 13 John R 257. Deft sold & conveyed
a parcel of land supposed to contain a certain
quantity - it was deficient & deft promised
to pay.

Mr Theaster v Reed 2 Pomose & Watts R 521. A release
of a debt made at the request of the clerk
and an express promise afterwards
to pay it.

Willing v Peter 125 M 177. Same facts.

The principle deduced from all the cases is this:—
An express promise, can only revive a predecessor's
good consideration, which might have been
enforced at law, though the medium of
an implied promise, had it not been
suspended by some positive rule of law;
but can give no original right of action
if the obligation on which it is founded
never could have been enforced at law,
though not barred by any legal
maxim, or statute provision.
Wanall v Adney 3 Bos & Pul 249 note

Smith v Wain - 13 John 257.

Smith v Wynne 3 Pict R 207.

Now the old debt of the bankrupt is a sufficient
Consideration to uphold a promise.

And the question recurs is there an express
promise in this case.

The rule laid down in England and America is,
that the promise must be distinct and
unequivocal - absolute and unconditional

+ Prewett v Caruthers 12 S. & W. 491 - 5. vague

+ Heming v Hayne 2 E. C. L. R 144. "

Beesford v Saunders 2 H Black R 116 conditional

Brown v Collier 8 Nymph R 570. "

Mason v Hughs 9 B Mon 480. "

Gothelmer v Keyser 11 Penn State R 364. vague

Porter v Porter 31 Maine R 169. must be express

Patten v Ellingwood 32 Maine R 163. Conditional

Branch Bank of Mobile v Boykin 9 Ala R 320 cited

1 Annual U.S. Dig 83 sec 70.

Turner v Chrisman 20 Ohio R 339. absolute

Scotton v Eisdad 7 John 36. Conditional promise - no money

The rule is laid down by our courts as to the kind
of promise necessary to take a case out of
the operation of the statute of limitations

Kimmel v Schwartz 1 Brice R 216.

Ball v Monson 1 Peters R 351.

The language of the act of Congress is "And such discharge
certificate, when duly granted, shall, in all courts
of justice, be deemed a full and complete discharge
of all debts, contracts and engagements of
such bankrupt which are provable under
this act."

5 US Statutes at Large 4440.

There was an express promise in

Haines v. Stauffer 13 Pa 81 R. 543.

Such may be on the old contracts & replication show new promise
Tuner v Chismann 20 Ohio 332. express promise -
Maxim v Morse 8 Mass R 127. arrest of judgments
Shippey v Henderson 14 Johns R 178. disclaimer to replication
Williams v Dyde Peake N P Cas 68
Leaper v Tatum 16 East R 423.
Deputy v Swath 3 Wend R 141.

The following cases show that the effect of the discharge
is to work an extinguishment of the debt, and
not a mere suspension of the remedy.

Douglas R 192. per Mansfield
Robert v Morgan 2 Esp R. 736 per Eyre C.J.
Truman v Fenton Cooper. 524.
Walbridge v Harrow 18 Venn R. 450.

And the following cases lay down the rule that
the old debt was evidenced by a note or special
the new promise must be declared on where

Graham v Hunt 8 B Mon R. 7.
Field's estate 2 Rawle R. 351.
Carson v Osborn 10 B Mon R 155
Egbert v McMichael 9 Ired 44.

A made note to B. & obtained bankrupt discharge - afterwards
B assigned note to C. - then a promise by A to B to
pay note - C cannot sue upon note or new promise

White v Cushing 30 Maine 267. { Walbridge v Harrow 18
Wardwell v Foster 31 Ired 558. { Venn R 448 Deputy v
5 Mass 509. Moore v Biele 4 Wend R 420. { Swath 3 Wend 135.

The promise must be after decree -

Stebbins v Phenman 1 Sandp S Ct 510.

Contra - Between petition & decree

Spooner v Russell 30 Maine 482.

& After decree & before discharge

Olis v Gaylin 31 Maine 567.

Corliss v Shephard 28 Maine 550

So one made on the eve of bankruptcy & in contemplation
of it Kingston v Wharton 28 Vt 208.

Tremman v Hewitt Corop R 824.

A promise tho' not made to the creditor or his authorized
agent is binding

McKinley v O'Neon 5 Ban R 369.

Contra Samuel v Cavenis 5 Eng R 380.

Certificate of bankruptcy muta facie evidence

Boas v Hetzel

3 Barr R. 298

Rowan v Holcomb

16 Ohio 463.

Rhythe v Johns

5 Ben R. 247

Waller v Edwards

6 L. & C. R. 348.

Norris v Goss

2 Spens 80

White v Hous

3 M'Lean 291.

This not a fiduciary debt. i.e. receipt of money by one from another to enter land - failure to perform the trust.

Keyman v Pond 7 M. & C. R. 328.

Chapman v. Forsythe 2 How W. R. 202.

Austell v Crawford 7 Ala R. 330.

Williamson v Dickens 5 Hedell 259.

Omission to schedule debt - no bar to effect of the decree.

Dowson v Dancer

22 Vera R. 337

Hubbell v Crump

11 Paige R. 310.

Chapin

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~~Continued~~ Hal

Watson

Hellaby

Chapman v. Forsyth 2. How 202.

A factor not within statute - it is confined to special trusts - this is one

Hayman v. Pond. 7 Metcalf 328, same point

Williamson v. Dickens 5 Fredell 259, an agent who has collected money & not paid it over is not within it.

It is not necessary the promise should be to the ~~an~~ legally authorized agent, it may be to a stranger.

Comfort v. Eisentis 11 Penn. 13.

~~Shillock v. Shillock 5 Penn. 367.~~

M^c. Kinley v. O'Keson 5 Penn 369

Hassinger v. Solus 5 Sergt. & M. 48.

Evidence that Bankrupt said he would "not let [the plaintiffs] stick" is evidence of a promise to go to the jury.

Haines v. Stauffer 13 Penn. 540.

Matteson
vs
Kellogg

1 Where there is a new ~~debt~~ promise to pay a debt discharged by a certificate in Bankruptcy, it is competent to declare on the original promise and give the new one in evidence in answer to the discharge

Turner v. Morris 20 Ohio 332

Prakes, N.P. 68, 1 Chit Pl. 54.

Shippey v. Henderson 14 Johns. 178

Maxim v. Murrie 8 Mass 127.

3 Wend 141. 16 East. 423.

2. The Language used by the Bankrupt is a promise to pay. He said to the agent of his creditor "I intend to pay it." The agent answered "They expect you to pay it." The bankrupt replied "I intend to pay it principal and interest." Now is not this in law an express promise to pay? Was it not so understood by the parties? If it was intended and received as an express promise, it was binding as such in law. If being indebted to another I say I intend to pay you so and so, it is a promise to pay accordingly. The court below has so found it,

and if the court might have so inferred from the circumstances, the court here will not disturb the finding.

3. This was a fiduciary debt within the meaning of the act of Congress.

It is true that where a mere factor or agent receives money which by the terms of the contract between him and his principal he is bound to pay over to his principal this is not a fiduciary debt within the meaning of the act: But where the creditor places money in the hands of the bankrupt to use in a particular manner this is a special trust. 1 Parsons on Cont. 101. The money still belongs to the person who placed it in the bankrupt's hands: If a bankrupt use it in any manner different from the trust, it is a breach of that trust: if in this case the money was expended in the purchase of real estate, that real estate would have become the property of the creditor altho the deeds were taken in the Bankrupt's name.

The Bankrupt had no power to use the money except according to the terms of the trust.

If it had been placed in his hands to purchase real estate for the use of a 3^d person, it would have been a trust and the Bankrupt would have been a trustee to the use of that 3^d person within the meaning of the most strict definitions of trust and trustee; but any person may create a trust to his own use, so that this circumstance does not vary the case.

If this be not a fiduciary debt, what is?

Matter on
Kellogg
Argt for deft.

Julius Manning
for deft.

Provia Illinois

July 29th /54

Hon J. S. Peat

Dear Sir, in
the case of Matteson vs.
Kellogg - Bankruptcy case -
as to what are fiduciary
debts, I wish to refer the
court to

White v. Platt 5 Davis 269
Kingdon v. Spalding 3 Barb. Chy 341.

Yours Very truly
Julius Manning

Pelig Matheson & al
vs
Aaron Kellaggett } Error from Warren
County

It is hereby agreed by the Parties
plaintiff and defendant - To submit
this case upon Written arguments
& Briefs to be filed during the Presid
term June 24th 1854 - provided we (defts)
are furnished with copy in time -

Julius Manning (deft in E)
Mr Davidson (for off in or

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Pelz Matteson & Co
us { Agnew & Co
Aaron Kellogg & Co

Filed June 24th 1854
L. Leland Clk.
By P. H. Leland & Co.

State of Illinois } In the Warren County Circuit Court of
Warren County } the April term A D 1854

Aaron Kellogg &
Houbbard Kellogg
vs
Peleg Mattison &
William W Porter
Administrators of the
Estate of George H Wright
Deceased

Warren County Court
September term A D 1853

The following proceedings were
had in the above entitled Cause, to wit

"At a regular term of the County Court commen-
-ced and held at Monmouth on the 19th day of
September A D 1853-

Present J Quincy, Judge
C L Amster, Sheriff
Wm F Smith clerk

Aaron Kellogg &
Houbbard Kellogg
vs
Peleg Mattison &
Wm W Porter
Admins of George H Wright
Deceased

Claim adn Aps
for \$400.
May 19. 1836

This Suit continued by agreement
of Parties till next term

Oct 3. 1853. Court commenced & held at Monmouth being
regular time

Present J Quincy, Judge
C L Amster, Sheriff
Wm F Smith clerk

Aaron Kellogg &
Hemlock Kellogg

} claim due from last term

Peleg Mattison &
Wm W Porter Admins
of George H Wright
decd

}

This day came into Court the parties in this suit, with their attorney, and after hearing all the testimony in the case and the deposition of Sylvester Blish, the Court allowed to the plaintiff, to be paid with the debts of the 4th class the sum of Eight hundred & twelve Dollars & fifty cents \$812.50

State of Illinois }
Warren County } ss

I William L Smith clk of the County Court, for the County and State aforesaid do certify, that the above is a correct transcript of the probate record, & an allowance given to Aaron Kellogg & Hemlock Kellogg, against Peleg Mattison & Wm W Porter Administrators of the Estate of George H Wright decd, and that Porter & Mattison said Administrators have taken an appeal & filed their approved bond for costs &c.

Given under my hand and Seal
of the County Court at Woonmouth
this 14th day of Nov^r A D 1853

Wm L Smith clerk

for their trial put themselves upon the Court.

Aaron Kellogg &

Norbert Kellogg

vs

Peleg Wattison &

William W Porter Adm^r

of George W Wright dec^d

}
}
}
} Appeal from the Court

Be it remembered, that

on the fourteenth day of April A D 1854, at the
term of the Court aforesaid, the following record
was made in this case, to wit,

This day, again
came the parties by their Counsel, and the Court
after hearing the Evidence and argument of
Counsel, and being fully advised in the premises,
It is therefore considered by the Court, that judgment
be entered against the said defendants for the
sum of Eight hundred and twenty nine dollars and
seventy five cents. It is therefore considered
by the Court, that the said plaintiffs have and
recover of & from the said defendants the
aforesaid sum of Eight hundred and
twenty nine dollars & seventy five cents
together with the cost by them in this behalf
expended, to be paid by the said defendants
out of the assets of the said George Wright
deceased in their hands to be administered in
the due course of Administration

The defendant by their Counsel now comes
and files their bill of Exceptions to the
above Judgement of the Court, which is
in the following words and figures. to wit

Aaron Kellogg &
Nathaniel Kellogg

vs
Pelle Mattison &
William W Porter
Administrators of the
Estate of George H. Wright
deceased

In the Circuit Court
of Warren County
at the April term A D
1854

Be it remembered
that the above Entitled Cause came on for
trial at the April term A D 1854. of the
above Entitled Court. On appeal from
the County Court of said County, and
on the trial the plaintiff to maintain the
issue on their part offered in evidence an
instrument in writing of which the
following is a copy

" Recd of Mr Sylvester Blish four
hundred dollars for the purpose of
procuring a a quarter section of
timber land for Aaron Kellogg and
his friends in Vernon Connecticut State
Moonmouth 19 May 1836
G H Wright

The Execution of said instrument by said
Wright was admitted, but the Defendants Coun-
sel objected to its introduction in evidence
which objection was overruled by the Court
to which decision overruling said objection

and admitting said evidence the plaintiff
Excepted

The plaintiff then called Syb-
ster Blish as a witness. who testified that
he was the person named in said instrument
and that he let Wright have the money
at the time stated in said instrument. The
witness was then asked on whose account
he advanced said money, to which question
the defendant's Counsel objected, but the Court
overruled said objection, and permitted
said question to be asked, to which decision
the defendant's Counsel at the time Excepted
The witness then stated that the money fur-
- nished by him to said Wright mentioned in
said instrument of writing, belonged to
Aaron Kellogg, Hubbard Kellogg and Ralph
Talcott of the State of Connecticut, that
witness at that time was acting as their
agent - that he informed Wright to whom
the money belonged, and that Wright received
the money for said Kelloggs and Talcott
So much of which evidence as went to
show, that said Wright received said money
for the benefit of Aaron Kellogg, Hubbard Kellogg
and Ralph Talcott. The defendant's Counsel
at the time Excepted, that his objection was
overruled, and to the decision of the Court
overruling said objection the defendant's
Counsel, at the time Excepted
The witness then proved that said Talcott died
before the commencement of this suit, and that
the said Kelloggs are still living and that
Wright on several occasions, has admitted
to witness, that he had not insured said

money, in lands for said Kelloggs and Talcott
Witness further testified that late in the year
A D 1836. he returned to Connecticut and made
a settlement with said Kelloggs and Talcott
who had furnished him money for investment
in western lands and on such settlement
surrendered to them the instrument in writing
signed by Wright above set forth and
said Kelloggs and Talcott surrendered to
him the receipt given by him to them
for the money they had furnished him
and from that time until since the death
of Wright and shortly before the commencement
of this suit in the County Court said inst-
-rument in writing was retained by said
Kelloggs and Talcott. Since the death of
Wright, said Kelloggs and Talcott have sent
out to said witness in this state said
instrument of writing and a power of
attorney, authorizing him to collect said debt
since 1836. witness who resides in Henry County
and acted as agent for said Kelloggs and
Talcott, in paying taxes on their lands
in Henry County, and selling said lands
but had not acted as their agent out of
said Henry County. In the letters received
by him from plaintiffs since that time they
had two or three times inquired as to the
solvency of Wright: or how he was getting
along and referred to his debt and enquired
as to the probability of collecting it. About
the first of January A D 1837, and soon after
receiving one of their letters from the plffs
in which they enquired about Wright.

Witness being in Warren County, went out of
his way on his road home to see Wright in

regard to the money, named in said instrument
Might and the Kellogg's were brothers in law
he met Might on the road, and after a little
conversation spoke of Kellogg's and of the
money, named in said instrument of writing
Might said he intended to refund it, to which
the witness replied, that then, Expected him to
do so. Might said he intended to do so, both
principal and interest. this was in 1851

On cross Examination the witness
stated that he did not inform Might, that
he was agent for Kellogg's, nor did the wit-
ness then know that Might had been declared
a Bankrupt. The witness also stated that
Might had previously, told him, he intended
to refund the money, to the plaintiff. The witness
was then told to repeat the words used by
Might. Whereupon he said, "he intended to
refund the money."

The plaintiff then here
called Ivory Lumber, and proved by him,
that Might made an Exposure of his affairs
to him in 1842, for the purpose of going
through Bankruptcy, and Might then told
witness he owed a debt to some person named
Kellogg in Connecticut the precise amount not
being recalled, but several hundred dollars.

The plaintiffs here closed their case.
The defendants then introduced in Evidence
without objection the following Certificate of
Bankruptcy, under the Seal of the District
Court of the United States, for the State of
Illinois, granted to said Might under the
Bankrupt Law of 1841 (here insert said certificate)
which in the words & figures following, to wit.

In the district Court U S A
District of Illinois

In the matter of George W Wright declared Bankrupt
It appearing to the Court from the petition of George W
Wright a Bankrupt on the reports accompanying
the same that the said Bankrupt has bona fides
surrendered all his property and rights of property
for the benefit of his creditors, and that he has
fully complied with, and obeyed all the orders
and directions, which have been from time
to time, passed by this Court: and has otherwise
conformed to all the requisites of the act entitled
"An act to Establish a uniform System of
bankruptcy throughout the United States, approved
August 19th 1841" and no written dissent to
his discharge having been filed by a majority in
number and value of his creditors: who have
proved their debts: and no cause being now
shown to the Court why the prayer of the
petition should not be granted: It is there-
fore by virtue of the act aforesaid, ordered
and decreed by the Court, that the said
George W Wright be, and he accordingly
hereby is forever discharged of, and from all
his debts, owing by him at the time of the
presentation of his petition to be declared bank-
rupt - And it is further ordered, that the clerk
duly certify this decree for the use of said
bankrupt.

United States of America } ss
District of Illinois }

I Wm Pope Clerk of the
district Court of the United States, for the district
of Illinois, do hereby certify, that the foregoing

is a true and perfect copy of the decree
of final discharge, rendered by the district
court of the United States for the district
aforesaid on the sixth day of December
A D 1842. in the case of George H Wright
a bankrupt.

In testimony whereof, I have
hereunto subscribed my name, and
affixed the seal of said court,
at Springfield this 24th day of June
A D 1853. And of our independence
the 77th year.

Wm Pope clerk

Defendant also introduced in evidence
without objection a certified copy of the
Schedule of debts filed by said Wright
in said District Court in his going
through bankruptcy, which Schedule
contained a debt listed as due to
Kellogg & Salcott for four hundred dollars.
The foregoing was all the evidence offered
by either plaintiff or defendant.

Whereupon the defendants
moved the Court for judgment against
the plaintiff, in allowing said plaintiff's
claim, which motion was overruled by the
Court, and the Court gave judgment for
the plaintiff, for eight hundred and twenty nine
dollars and seventy five cents, to which deci-
- sion and judgment of the Court the defen-
- dants excepted and prays that this their
bill of exceptions may be signed and sealed
by the Court and made a part of the record
herein which is accordingly done. Done. H M Mead Clerk

What follows this point is to be taken as part of the
bill of exceptions. Judgments allowing for debt in error
Anderson for Piffin over

The following is the copy of a Schedule
filed in the district Court of the United
States for Illinois by George H Wright dec-
to wit

"District Court of the United States
For the district of Illinois,

To the Honorable Nathaniel Pope Judge of the
district Court of the United States in and
for the district of Illinois -

The petition of George H Wright
Respectfully sheweth, that your petitioner is
a resident of the County of Warren in the State
of Illinois, and that your petitioner has
become unable to meet his debts and engagements
and your petitioner further sheweth, that he is
indebted to the persons and in the respective
sums mentioned and set forth in the Schedule
of debts hereto annexed and marked "Schedule"
setting forth a list of petitioner's creditors,
their residence and the amount due to each,
and signed by your petitioner, which Schedule
according to the best of your petitioner's know-
ledge and belief, contains a true and cor-
rect list of all your petitioner's creditors,
their residence, and the amounts due to each
of them, which Schedule signed as aforesaid,
your petitioner prays may be taken as a part
of this his petition, which debts your petitioner
sheweth have not in whole or in part been
created in consequence of any defalcation by your
petitioner, as a public officer, or as executor, guar-
dian, Administrator, or trustee, or while acting
in any other fiduciary capacity, and your
Petitioner further shews, that the Schedule

hereto annexed and marked inventory of property, and signed by your petitioner, contains a correct inventory of your petitioner's property, rights and credits, of every name kind and description and the location and situation of each and every parcel and portion thereof, to the best of your petitioner's knowledge and belief. which your petitioner prays may be taken as a part of this Petition. Your petitioner therefore prays, that he may, by decision of this honorable court be declared a bankrupt according to the provisions of the act of Congress in such case made and provided and that such further order and proceedings as are provided for, directed or required in and by said act of Congress.

Dated this 22nd day of March A.D. 1842

George A Wright

United States of America }
District of Illinois }^{ss}

George A Wright being duly sworn, doth depose and say, that the foregoing Petition by him subscribed is true according to the best of his knowledge and belief

Subscribed and sworn before me this 22nd day March A.D. 1842 -

George A Wright

Myatt B Stapp Commissioner of Bankrupts
for Warren County Illinois

Schedule Setting forth a list of Petitioners
creditors, their Residence and the amount
due to each.

Names of Creditors	Nature Amounts			Residence
	of debt			
A and A B. Blair	200	200	"	Rome New York
Samuel Walcott	note	130	"	Floyd New York
H H & G W Pope	note	135	"	Rome " "
Joseph & Jamison	Judgt	50	"	Henderson Co Ills
Howard & Smith	"	15	"	Warren Co Ills
Stapp & Berry	"	40	53	" " "
Genl Bacon & Co	"	305	"	St Louis Mo
Stone Field & Marks	"	324	18	" " "
Charles & Blane	"	869	61	" " "
Orellag & Talcott	Act	400	00	Vernon Holland Co Connecticut
Wm McNeil	Judgt	600		Warren County Ills
Hamilton Rome	"	600		" " "
Joseph Lewis	note	12	50	" " "
Benj M Allen	account	24	00	" " "
Lafferty & Allen	note	20	00	" " "
Men Walker	acc	8	00	Rome New York
William Brooks	note	7	50	Warren Co Ills
S S. Phelps	acc	7	00	Ogawka Ills
A & S S Phelps & J Duncan	note	550	00	Wt Ogawka & Jacksonville Ills
Farrell & Lippincott	acc	24	00	Plover Ills
Chester Patten	"	12	00	Warren Co Ills
Lewis Washley	"	2	50	" " "
Alexander Davidson	Judgt	9	00	" " "
Estate of A Allen	acc	30	00	" " "
Wm Martin Dale	note	40	00	" " "
" " " "	"	43	00	" " "
Planner Brent N Co Ills	"	1800	00	note signed by Geo Wright and L McNeil as Re committed for H S Pierce

School funds of S. S. 1 st W	Note	100 00	Warren Co. Ill. A Turnbull & J. Leaneford security
School funds of S. S. 1 st W	Note	100 00	Warren Co. Ill. James McCallen & J. Shick security
Henry B. Waler, Waler	Acc	47 00	+ int for money paid as security

George W. Wright

I William Pope Clerk of the District Court, of the United States for the District of Illinois. do hereby certify the foregoing to be a full true and correct copy of the schedule in the matter of George W. Wright a Bankrupt, as appears from the files of my said office.

In testimony whereof, I have hereunto affixed the Seal of said Court at Springfield and subscribed my name this 13th day of June A.D. 1853 and of our independence the 77th Year

Wm Pope Clerk

State of Illinois } Warren County, Court
Warren County } 3

Poley Mattison &
William Porter as
Administrators of the Estate
of George H. Wright dec'd

To Aaron Kellogg and Hubbard Kellogg
Survivors of Aaron Kellogg, Hubbard Kellogg
and Ralph Talcutt

To Cash P^a said Wright by Blish
to purchase quarter Sec. land

May 19, 1836

Aug 15, 1853. Int. to this date

400.00

413.00

\$ 813.00

Waper of Summons

State of Illinois } ss }
Warren County } }

The People of the State
of Illinois - To the Sheriff of said County
Greeting - We Command you to summon
Aaron Kellogg & Hubbard Kellogg if they
be found in your County, to be and
appear before the Judge of our Circuit
Court for the County of Warren
on the 2nd Monday in the month of
April 1854 next, to answer to an appeal
obtained by William H. Porter & Poley Mattison
Admrs &c. from a Judgment rendered
against them as Administrators of the
Estate of George H. Wright deceased in favor
of Aaron Kellogg & Hubbard Kellogg

Before the County Court of said County
on the third day of October 1853, for
the sum of Eight hundred & twelve
dollars & 50 cents, and Cost of Suit
And have you then and there this writ

E L S

Witness William Billings Clerk of
said Court, at the Court house
this 1st day of December 1853
the Seal of said Court, being
hereto affixed

Wm Billings Clerk

on the back of said Summons is as
follows.

"I return this Summons defend-
ant, not found in my County

L L Amisby, Shff
Br. Mapper, deputy

And the said def-
endant and any

State of Illinois } ss
Warren County, }

I Wm Billings Clerk of
the Warren Circuit Court, do hereby certify
that the above and foregoing pages
contain a full true & perfect copy
of all the orders, Judgements and decrees
in the Warren County Court, and also
in the Warren County Cir Circuit Court
made in the above entitled Cause
as also a copy of all the papers
in the above case. Except the dispositions
of Sylvester Blisk. As appears from
from the files & Records now in my office
Given under my hand and seal
of said Court at Monmouth
this 18th day of May & A. D. 1854.

Wm Billings Clerk

And now comes the said plaintiff in error by
Davidson & Blackwell their attorneys, and
say that in the record of the proceedings aforesaid
and in the rendition of the judgments aforesaid
manifest error hath intervened to their prejudice
in this Court,

- 1 The said Circuit Court erred in admitting
unsworn testimony
- 2 The Court erred in rendering judgment
upon the evidence before in favor of the
said defendants in error.
3. The Court erred in rendering judgment
for the defendants in error when by
by the law of the land said judgment
ought to have been rendered for the
said plaintiffs in error.

Wherefore &c

Davidson & Blackwell /s/

And the said defendants in error
come and say that in the said
record and proceedings there are
no such errors as above set
forth nor any nor either of
them.

Manning
for def in
error

Filed Aug 23^d 1854.
J. A. Adams Clk.
By J. H. Adams & Co.

93.
Polly Mattison et al. vs. J. A. Adams.
Claron Kellogg et al.
The end of errors.

93

Poly Mathewson
as
Aaron Kellogg

1804

12140