

The Hiram

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Court : US Supreme Court

Decided On : 1816

Appeal No. : 14 U.S. 440

Appellant : The Hiram

Judgement :

The Hiram - 14 U.S. 440 (1816)

U.S. Supreme Court The Hiram, 14 U.S. 1 Wheat. 440 440 (1816)

The Hiram

14 U.S. (1 Wheat.) 440

APPEAL FROM THE CIRCUIT COURT FOR

THE DISTRICT OF MASSACHUSETTS

SYLLABUS

An agreement in a court of common law, chancery, or prize made under a clear mistake will be set aside.

If an agreement be made to confess a judgment or a judgment be actually confessed, a court of law will set it aside, and if the judgment be no longer in the

power of a court of law, relief may be obtained in chancery.

So also an agreement entered into in a suit originally depending in a court of chancery will be relaxed or set aside if it be proved to the court to have been entered into under a mistake.

This was a vessel laden with flour and bound from Baltimore to Lisbon, captured, and finally condemned by this Court at February term, 1814, for sailing under a license from the enemy. The present case was that of the claimants of a greater part of the cargo. The ship was owned

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and the license procured, by Samuel G. Griffith, a citizen of the United States. Separate bills of lading were at first signed by the master, one for each shipper, and separate letters of instruction were given to Patterson Hartshorne, the supercargo. But in the expectation, as was alleged, that in case of detention, the delay and expense would be less considerable if the cargo appeared to be the property of one individual than if there should be several small claims, one general bill of lading was signed to the owner of the ship and one general letter of instruction was given in his name to the supercargo, so as to make the whole cargo appear to be owned by Mr. Griffith, the owner of the ship and of a small part of the cargo. At the May term, 1814, of the circuit court, the property of the claimants was condemned by that court upon the ground that their counsel had, at the preceding term, entered into an agreement with the captors that the decision of the Supreme Court as to Griffith's claim should conclude the rest. Of this agreement the circuit judge had made a memorandum in his minute book, but it was not entered on the records of the court until the May term, at which condemnation was pronounced, when it was admitted by the claimants' counsel to have been made, and was recorded. From this last sentence of condemnation an appeal was taken to this Court.

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MR. CHIEF JUSTICE MARSHALL delivered the opinion of the Court.

When the claimants in this case applied to the circuit court to be let in to further proof for the purpose of showing their ignorance of the fact that the *Hiram* sailed under the protection of a British license, the judge of that court considered the agreement of the parties that these causes should depend on the fate of Griffith's claim, under which agreement the sentence that would otherwise have been pronounced against them was suspended until the decision of the Supreme Court on that claim should be made, as having the same validity as if that agreement had been entered, at the time, on the records of the court. In that opinion, there having been no doubt respecting the fact, this Court concurs. But this Court is also of opinion that if the agreement was made under a clear mistake, the claimants ought to be relieved from it, where it could be done without injury to the opposite party. If a judgment be confessed

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under a clear mistake, a court of law will set that judgment aside if application be made and the mistake shown while the judgment is in its power. An agreement, made a rule of court, to confess a judgment cannot be stronger than a confession itself, and of course a party will not be compelled to execute such an agreement, but will be allowed to show cause against the rule in a case where it was plainly entered into under a mistake. If the judgment be no longer in the power of a court of law, relief may be obtained in chancery. Still more certainly will an agreement, entered into in a suit originally depending in a court of chancery, be relaxed or set aside if it be proved to the court to have been entered into under a mistake. The case cited from Peere Williams is directly in point.

These principles are of universal justice and of universal obligation. They cannot apply with less force to causes depending in prize courts than to causes depending in other courts. The propriety, then, of rejecting further proof in this case and of condemning the property claimed by the appellants will pend on the clearness with which they show the mistake under which the agreement was made and on their ability to support their case if that agreement be set aside. If a real

and substantial difference exists between the case of the present claimants and that formerly decided by this Court, there will not be much difficulty in yielding to the suggestion, supported as it is by the proof now offered, that this agreement was made without knowledge of that difference, and consequently by mistake.

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But the question then occurs whether restitution ought to be decreed to them if the obligation of the agreement be removed.

The claimants allege that in point of fact they did not know that the *Hiram* sailed under a British license, and the proof they offer goes far in supporting this allegation. It is admitted that ignorance of this fact will save from the forfeiture incurred by it unless the claimants have such constructive notice as will preclude them from showing the want of actual notice. It has been argued that the transaction rendered Griffith the agent of the other shippers, so as to infect their claims with his knowledge; that by consenting that their property should be shipped in his name, it becomes liable to all the risks to which it would have been exposed had it been actually his. It has been also argued that the supercargo is clearly the agent of the shippers, and that his knowledge of the license being on board is, constructively, their knowledge. The counsel for the claimants endeavors to rescue his clients from the effect of this constructive notice by contending that the principle of *respondeat superior* can never apply to a case of a criminal nature, that a license works a forfeiture, because it is a breach of allegiance -- an offense which cannot be imputed to a person having no knowledge of the criminal act which constitutes the breach of allegiance, and that this principle has, in prize courts, been applied to cases punishable under the law of nations, not to offenses against the government of the captor and captured.

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The Court considers the sailing under an enemy's license as closely connected in principle with the offense of trading with the enemy, in which case it is believed to be incontrovertible that the knowledge of the agent would affect the principal,

although he might in reality be ignorant of the fact. [*](#) Upon this ground, the sentence of the circuit court is affirmed with costs.

Sentence affirmed.

* Thus, where a shipment was made to the enemy by the partners of a house of trade resident in a neutral country, without the knowledge or consent of a co-partner resident in the belligerent state, his share was held liable to confiscation. 6 Rob. 129, *The Franklin*. And it appears from that case that even an inactive or sleeping partner (as it is termed) has been held, by the Lords of Appeal incapable of receiving restitution in a transaction in which he could not lawfully be engaged as a sole trader. *Id.*, 131.

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