

Connor Vs. Featherstone

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Court : US Supreme Court

Decided On : 1827

Appeal No. : 25 U.S. 199

Appellant : Connor

Respondent : Featherstone

Judgement :

Connor v. Featherstone - 25 U.S. 199 (1827)

U.S. Supreme Court Connor v. Featherstone, 25 U.S. 12 Wheat. 199 199 (1827)

Connor v. Featherstone

25 U.S. (12 Wheat.) 199

APPEAL FROM THE CIRCUIT COURT FOR

THE WESTERN DISTRICT OF TENNESSEE

A question of fact upon a bill filed to set aside the sale and assignment of a land warrant upon the ground that it was obtained by fraudulent

misrepresentation and taking undue advantage of the party's imbecility of body and mind.

Evidence deemed insufficient, and bill dismissed. But the parties

Page 25 U. S. 200

MR. JUSTICE TRIMBLE delivered the opinion of the Court.

The bill was instituted by James Hibbits in his lifetime, and after his death the suit was revived in the names of the appellees, his heirs at law, after which the defendants, now appellants, appeared and answered.

The object of the suit was to have delivered up to the complainant a land warrant of 5,000 acres, which had been issued in the name of James Hibbits upon an entry made by him in John Armstrong's office, No. 394, and to restrain James and Henry W. M. Connor, and each of them, from procuring a grant upon a survey which had been made and returned for the use of James Connor by virtue of the warrant under color of certain assignments alleged by James and Henry Connor to have been made by Hibbits, and to have those assignments set aside.

It appears that James Connor held a writing under seal, dated 25 September, 1796, purporting to be signed and executed by James Hibbits, to the following effect:

"I, James Hibbits, of the County of Iredell and State of North Carolina, for and in consideration of the sum of ninety-three pounds ten shillings, of the state aforesaid, have granted, bargained, and sold, to James Connor, of Mecklenburgh County and state aforesaid a 5,000-acre warrant entered in Colonel John Armstrong's office, No. 394, and I do authorize Colonel William Polke, or any of his deputies, or any other surveyor, to issue the returns, when the land is surveyed, in the name of James Connor."

The execution of this assignment is contested by the bill, which suggests that a mere order for the delivery of the warrant was given, without any terms of transfer, but its due execution is expressly averred by the answer and clearly sustained by evidence.

It appears from the statements of the bill and answer of James Connor that although this assignment purports to be general and absolute, there was a parol agreement and understanding between the parties at the time of its execution qualifying its general import. But the parties

Page 25 U. S. 201

differ very materially as to the character and extent of this parol agreement. Both admit that Hibbits was indebted to Connor a sum of money which it was not convenient then to pay, but they differ as to its amount. Both agree that the sum so due from Hibbits to Connor, and Connor's agreement to pay to government a balance due upon the entry of about twenty-four pounds, with the interest thereon due to the state, and for which the warrant was detained was the consideration of the assignment. Hibbits insists that by the agreement and understanding of the parties, the assignment was intended as a mortgage or security for the debt, together with the advance to be made to the government, but Connor in his answer expressly denies such was the character of the agreement and insists it was that Connor should be proprietor of the warrant, so far as these sums would go, at the rate of sixty pounds per thousand acres, and that the residue should be held by him in trust for Hibbits. It appears that Connor paid to the government 45 pounds, 17 shillings and four pence, the balance due upon the entry, with interest, and procured the warrant to issue, and be delivered to him on 29 November, 1797. It appears that the adjustment and settlement of their respective interests in the warrant was the subject of occasional correspondence and negotiation between them from that time until 1817, but that as the land lay in the Indian country and could not lawfully be surveyed until the Indian title should be extinguished by the general government, the matter lay over until that period.

It appears that in June, 1817, James Connor sent his son, Henry W. M. Connor, with a power of attorney and instructions from North Carolina to James Hibbits in Tennessee to adjust the business within either by selling to Hibbits Connor's interest in the warrant or purchasing Hibbits' interest in it. That on the ___ day of June, 1817, at Hibbits' own house, a contract was made by Henry Connor, as agent of James Connor, with Hibbits by which Hibbits agreed to transfer and

assign to James Connor, or his agent for his use, all Hibbits' interest in the warrant, for which Connor agreed to convey to Hibbits by deeds with special warranty Connor's right in two grants of 1,000 acres

Page 25 U. S. 202

in Connor's name, calling to lie on Swift Creek, and also give a bond for the conveyance of 150 acres in Bedford County, in execution of which agreement an assignment of the whole warrant was accordingly executed by Hibbits, and deeds for the two grants of 1,000 acres each on Swift Creek, and a bond for the 150 acres in Bedford County, were executed by Henry W. M. Connor, as agent for James Connor.

The bill charges that this assignment was procured by Henry W. M. Connor

"most fraudulently, and in the following manner -- that Hibbits was confined to his bed by a severe and long spell of sickness, under the influence of which he had labored several months; that his intellect and his faculties were so much debilitated and impaired that he scarcely knew anything he was doing; that Henry Connor represented all the lands he proposed giving for the warrant as good and valuable lands, and he moreover represented that the land called for in said warrant lay south of and without the limits of the State of Tennessee, all of which assertions and allegations of said Henry were false and known by him to be so at the time. He had been correctly informed that the land lay in this state (Tennessee) and that it was very valuable; he had been offered for part of it six dollars per acre, and he also knew that the two tracts of 1,000 acres each on Swift Creek had never been surveyed, and that the 150 acres in Bedford County had been taken by a better claim."

This is the substance of the charges of fraud and misrepresentation made in the bill, all of which are substantially denied by the answer.

At the hearing of the cause, the circuit court decreed that the assignment of the ___ day of June, 1817, should be set aside and held for nought; that neither of the Connors should hold any interest in the warrant by virtue of that assignment, and

then proceeded to direct what interest the parties should respectively hold in the warrant, under the assignment and contract of 1796, and directed a release of the proportion allotted by the decree to the complainants accordingly.

It is plain that if the assignment of 1817 ought not to be set aside, the decree must be considered not only erroneous

Page 25 U. S. 203

but there can be no necessity for inquiring what interest each party should hold in the warrant under the contract and assignment of 1796 independently of the assignment of 1817. That matter was adjusted by the contract and assignment of 1817, and unless that assignment should be set aside for fraud and imposition, we cannot go behind it.

It is argued that James Hibbits was so diseased in mind and body as to be incapable of controlling his own conduct, and that undue advantage was taken of his imbecility by Henry W. M. Connor. We do not think the allegation supported by sufficient proof. The answer denies it, and William Cawley is the only witness who speaks directly to the purpose. William Alexander swears he was once at Hibbits' house in the summer of 1817; that Hibbits was in great agony, and then incapable of transacting business; but whether from the excess of bodily pain only or conjointly from that and mental imbecility he is silent. The former we think the fair and only import of his evidence, as he says nothing of the state of Hibbits' mind, but speaks expressly of bodily disease. Besides, it is uncertain whether this was before or after the contract, and cannot therefore furnish a circumstance in aid of Cawley's statements. Many other witnesses depose as to Hibbits' mental condition whose statements are irreconcilable with Cawley's impressions. A letter written by Henry W. M. Connor to Adam Miller in which he says

"Mr. Hibbits has found out that I made an advantageous trade with him, that the land was in the State of Tennessee, contrary to his expectation, and complains heavily that I took an advantage of him, that he was a little deranged at the time,"

is greatly relied on in argument not only to prove Hibbits' insanity, but to prove Henry W. M. Connor misrepresented the situation of the entry of 5,000 acres and thereby deceived and defrauded Hibbits.

So far as the letter alludes to the State of Hibbits' mind at the time of the contract and to "an advantage" having been taken of him, the writer evidently means to state only Mr. Hibbits' subsequent complaints, and not the facts or circumstances actually attending the transaction. The letter cannot, then, prove that Hibbits' was deranged or that Connor took advantage of him unless it is inferable from other parts

Page 25 U. S. 204

of the letter. He says Hibbits had found out that Connor had made an advantageous trade, but it would be a very strained construction of this language to suppose Connor meant anything more by it than a good bargain.

He says Hibbits had found out the land lay in Tennessee, contrary to his expectation, and it has been insisted in argument that this fixes decisively upon Henry Connor the imputation of fraud and misrepresentation as to the situation and value of the 5,000 acres of land. We do not think so. In the very doubtful state of the question where the state boundary would run when ascertained by public authority, the various conjectures and opinions then existing on the subject, the near proximity of the land to the line as afterwards established, no inference unfavorable to the fairness of Connor's conduct can justly be drawn from Hibbits' expectation at the time of the contract that the land was not in Tennessee, unless it were shown that Connor, by his representations, superinduced that expectation. There is nothing in the letter, and we can discover nothing elsewhere in the evidence, conducing to prove that Connor at the time of the contract made any representation on the subject of the land being without or within Tennessee.

In the existing state of circumstances in relation to the position of the state line, which was not fixed or known until long after, it could at most be but matter of opinion or conjecture whether the land would or would not fall within Tennessee. It

is not shown that Henry W. M. Connor expressed even an opinion to Hibbits on the subject, and if Hibbits entertained an erroneous opinion, it would be going too far in a matter apparently involved, at the time, in uncertainty to hold Connor responsible for that error.

The bill charges Connor with falsely representing the value of the 5,000 acres, but that is also denied by the answer, and there is no proof in support of the bill.

It is further argued that the deeds made by Connor to Hibbits for the two tracts of 1,000 acres each, calling to be on Swift Creek, being drawn by Henry W. M. Connor and containing only a clause of special warranty, is evidence of the fraud and undue advantage taken of Hibbits' situation. The clause of warranty in the conveyances is to the following

Page 25 U. S. 205

effect, to-wit:

"That he, the said James Connor, for himself and heirs, shall and will warrant and defend the above named grant from the lawful claim or claims of any person or persons whatever; but it is hereby understood that the said Henry W. M. Connor, as agent for James Connor, does not obligate himself to warrant the land called for in the grant, but only to warrant the grant itself from all legal claims of any person or persons."

Whatever singularity may, at first blush, appear in this clause of warranty, it vanishes when the state of the country and the titles in it are understood. The 5,000-acre entry of Hibbits, and the land given in exchange for it in the contract of 1817, at that time all lay in the Indian country, and the Indian title thereon had not been extinguished. Although the warrant upon the 5,000 acre entry had issued, it had not been surveyed, and could not be lawfully surveyed until the Indian title should be extinguished by the general government. Although grants had issued for the two tracts of 1,000 acres each, calling to lie on Swift Creek, it was very probable that they had issued, as is understood to have been the case in many instances, without actual surveys' having been executed on the grant. By the laws

and usages of the state as understood to exist at the time, duplicate warrants could be procured and located on other lands whenever it appeared the land granted could not be identified for want of a survey or was lost by a superior interfering claim. In such a state of things, it was evidently a risking bargain on both sides, and the peculiar clause of warranty must be presumed to secure to Hibbits the benefit of procuring warrants for the grants if the land could not be held by the grants themselves. The same remark may be applied to the 150 acres in Bedford County, with this additional observation -- that as Henry W. M. Connor did not execute a deed of conveyance for it at the time of the contract, but a bond for a conveyance, if the 150 acres is lost or he is otherwise unable to convey, he is liable upon his bond unless he afterwards made a conveyance agreeably to his bond, and in that case Hibbits would derive the same advantage of being entitled to a warrant for that quantity notwithstanding

Page 25 U. S. 206

the opinion of Henry W. M. Connor as expressed in his letter to Miller to the contrary.

The only remaining ground of argument relied upon in support of the decree of the circuit court is that the consideration agreed to be given for the last assignment has failed, and the assignment ought therefore to be set aside. But the consideration agreed upon has not failed. Hibbits, as must be inferred from the deeds for the two tracts of 1,000 acres each, was not to have a good and indefeasible title, but such title only as the grants might give, with the incidental advantages resulting from them by the laws of the country. The 150 acres may constitute a claim for damages, but furnishes no ground for setting aside the assignment of 1817.

This Court is of opinion there is not sufficient evidence to show that the assignment, dated the ___ day of June, 1817, was procured by fraud, or undue advantage taken of the situation of Hibbits, and that the said assignment ought not to have been set aside.

The decree of the circuit court is therefore deemed erroneous and must be reversed and the cause remanded to the circuit court with directions to dismiss the bill with costs.

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