

Bonnafee Vs. Williams

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Court : US Supreme Court

Decided On : 1845

Appeal No. : 44 U.S. 574

Appellant : Bonnafee

Respondent : Williams

Judgement :

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44 U.S. (3 How.) 574

ERROR TO THE CIRCUIT COURT OF THE UNITED

STATES FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

SYLLABUS

The circuit court of the United States has jurisdiction where a promissory note is made by a citizen of one state payable to another citizen of the same state or bearer, and the party bringing the suit is a citizen of a different state, although

upon the face of the note it was expressed to be for the use of persons residing in the state in which the maker and payee lived.

Where the citizenship of the parties gives jurisdiction, and the legal right to sue is in the plaintiff, the court will not inquire into the residence of those who may have an equitable interest in the claim.

The plaintiffs in error were citizens of the State of New York; the defendants in error of Mississippi.

The defendants in error executed four joint and several promissory notes, promising to pay to Cowles Mead or bearer, for the use of the Real Estate Banking Company of Hinds County, the sums of money therein mentioned.

In 1841, the plaintiffs brought suit upon these notes, alleging themselves to be the lawful bearers thereof.

The defendants demurred upon the two following grounds:

"1. The plaintiffs cannot maintain the action because, by their own showing, the defendants who are sued are also a part of the persons for whose use the suit is commenced."

"2. The court can have no jurisdiction of this case because, although it is true the nominal plaintiffs are the bearers of the paper sued on and citizens of a state other than Mississippi, yet the usees, or those for whose benefit the suit is brought, for anything which appears in the declaration, are citizens of the State of Mississippi, and there are all other causes,"

&c.;

The circuit court sustained the demurrer, from which decision a writ of error brought the case to this Court.

MR. JUSTICE Mc LEAN delivered the opinion of the Court.

The plaintiffs brought their action on four promissory notes, payable at different times, for different sums, and bearing different dates, except two, which were dated 23 January, 1839. In each of the notes the defendants promised, or either of them, to pay to Cowles Meade or bearer for the use of the Real Estate Banking Company of Hinds County, at their banking house in Clinton, the sum named, without defalcation, for value received.

The defendants demurred to the declaration, and assigned the following causes of demurrer:

"1. The plaintiffs cannot maintain the action, because, by their own showing, the defendants who are sued are also a part of the persons for whose use the suit is commenced."

"2. The court can have no jurisdiction of this case, because, although it is true, the nominal plaintiffs are the bearers of the paper sued on, and citizens of a state other than Mississippi, yet, those for whose benefit suit is brought, for anything which appears in the declaration, are citizens of the State of Mississippi."

The notes in question passed by delivery, and the plaintiffs, as bearers, have a right to sue in their own names, as the promise to pay is made to bearer. The plaintiffs allege that they are citizens of New York, and consequently the circuit court had jurisdiction of the case. Where the citizenship of the parties give jurisdiction and the legal right to sue is in the plaintiff, the court will not inquire into the residence of those who may have an equitable interest in the claim. They are not necessary parties on the record. A person having the legal right may sue at law in the federal courts without reference to the citizenship of those who may have the equitable interest. [Irvine v. Lowry](#), 14 Pet. 298. The judgment of the circuit court, which sustained the demurrer, is

Reversed and the cause is remanded for further proceedings.

