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Magniac Vs. Thomson

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Court : US Supreme Court

Decided On : 1853

Appeal No. : 56 U.S. 281

Appellant : Magniac

Respondent : Thomson

Judgement :

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Magniac v. Thomson

56 U.S. (15 How.) 281

APPEAL FROM THE CIRCUIT COURT OF THE UNITED

STATES FOR THE EASTERN DISTRICT OF PENNSYLVANIA

SYLLABUS

A plaintiff in a judgment having the defendant in execution under a *ca. sa.,* entered into an agreement with him that the plaintiff should, without prejudice to his rights and remedies against the defendant, permit him to be forthwith

discharged from custody under the process and that the defendant should go to the next session of the circuit court of the United States and on the law side of that court make up an issue with the plaintiff to try the question whether the defendant was possessed of the means, in or out of a certain marriage settlement, of satisfying the judgment against him.

The debtor was released; the issue made up, the cause tried in the circuit court, brought to this Court, and reported in 32 U. S. 7 Pet. 348.

By suing out the *ca. sa.,* taking the defendant into custody, entering into the arrangement above mentioned, and discharging the defendant from custody, the plaintiff, in all legal intendment, admitted satisfaction of his demand, released the defendant from all liability therefor, and destroyed every effect of his judgment as the foundation of legal rights.

In such a state of things, a court of equity will not interfere at the instance of the plaintiff.

The allegation of fraud in the marriage contract is not sustained by the evidence; nor was the refusal of the defendant to apply the property which accrued to him upon the death of his wife to the discharge of the debt a violation of the agreement under which he was released.

The averment in the bill that the rights of the plaintiff under the judgment remained unimpaired is incompatible with a right to resort to a court of equity.

Magniac & Company, being English subjects, had two judgments against Thomson, one in the Circuit Court of the United States for Pennsylvania in 1827, and the other in the Circuit Court for New Jersey in 1829.

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On the 1st April, 1829, the appellants sued out a writ of *capias ad satisfaciendum* on the judgment in the Circuit Court of the United States for the Eastern District of Pennsylvania to April session, 1829, to which the marshal, on the 8th April, 1830,

returned *non est inventus,* and on the same day an alias *capias ad satisfaciendum* was sued out to April session, 1830, Number 9, to which on the 12th April, 1830, the marshal made return of "C.C. and enlarged by agreement of plaintiff's attorney."

The appellee was discharged out of custody by the consent of the plaintiffs in the judgment under the following agreement, *viz.:*

" *Magniac v. Thomson. No. 18, Circuit Court of the United States,* "

" *Pennsylvania District, October, 1826* "

"Defendant having been taken by *ca. sa.* in this suit, at his instance it is agreed that he be set at liberty on giving security to abide the event of an issue to be formed for ascertaining, by judicial decision, whether he has the means, by the property in his marriage settlement or otherwise, of satisfying the judgment, which issue is to be formed by plaintiff's affirmance and defendant's denial of such means, both parties hereby consenting to try such issue at the ensuing session of the circuit court of the United States for this district on the merits, without regard to form or to the time when the jury may be summoned, it being expressly acknowledged by defendant that this agreement is made for his accommodation, without any prejudice whatever to arise to the plaintiff's rights by the defendant's enlargement on security as aforesaid or otherwise howsoever."

"April 8th, 1830 JOHN R. THOMSON"

"I hereby become answerable for the performance of the terms above stated, which I guarantee. R. F. STOCKTON"

"Witness, J. P. Norris, Jr."

"On the part of the plaintiffs in this case, I hereby consent to the defendant's enlargement on the terms stated in his within proposition and agreement of this date."

"9th April, 1830 C.J. INGERSOLL, *Attorney* "

In pursuance of this agreement, a new suit was entered by agreement on 3 June, 1830, in the Circuit Court of the United States for the Eastern District of Pennsylvania in the Third Circuit by these appellants against the appellee to try the issue to be formed under the above agreement of 9 April, 1830.

The case was tried and is reported in Baldwin's Reports 344. It resulted in a verdict for the defendant. Being brought to this Court upon a bill of exceptions, the judgment of the circuit court was affirmed, as reported in 32 U. S. 7 Pet. 348.

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The death of Mr. Thomson's wife being supposed to place at his disposal certain property which might be properly applied to the payment of the judgment, Magniac & Co. applied for a rule to show cause why a *scire facias* should not issue to revive the judgment. Thomson set up his arrest and discharge under the *ca. sa.* as a legal satisfaction of the judgment. Magniac & Co. then withdrew the rule and filed the present bill.

The substance of the bill is very fully stated in the opinion of the Court, and need not be repeated. The bill was demurred to, and, upon argument, the circuit court sustained the demurrer and dismissed the bill.

The complainants appealed to this Court.

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MR. JUSTICE DANIEL delivered the opinion of the Court.

The appellants, by their bill in the circuit court, alleged that, being creditors of the appellee in a very large amount of money previously lent and advanced to him, they, in the year 1828, instituted their action for its recovery on the law side of the court, when it was agreed by writing filed of record that a judgment should be entered against the appellee as of the 26th of November, 1827, in favor of the appellants for the sum of $22,191.71. That this judgment, with a large

accumulation of interest, remained unappealed from and unsatisfied either in whole or in part. That the appellants, after obtaining this judgment, believing that the appellee was possessed of concealed means of satisfying it and especially that when in a state of insolvency, and with a view of defeating his creditors, he had settled upon his wife a large amount of property, and, as afterwards appeared, made transfers of property to her between the date of the judgment and of the execution thereon, they sued out upon the said judgment a writ of *capias ad satisfaciendum,* returnable to the April term of the court 1830, and in virtue of that process caused to be taken into actual custody the body of the appellee. That under the exigency of this process and arrest, the appellee would have been compelled to continue in close confinement or could have obtained his release therefrom solely by the laws of Pennsylvania passed for the relief of insolvent debtors, which laws would have exacted of the appellee an assignment to his creditors of all estate, property, or interests whatsoever, held by himself or by others for him, or unlawfully settled upon his

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wife, and would have conferred upon him only an immunity against further bodily restraint by reason of the nonpayment of such debts as were due and owing from him at the date of such proceedings in insolvency; but that the appellee, being at the time of his arrest a citizen of the State of New Jersey, could not have been admitted to the benefits of the insolvent laws of Pennsylvania until after remaining three months in actual confinement under the writ of *capias ad satisfaciendum.*

That on the 19th of November, 1825, a marriage contract was executed between the appellee and Annis Stockton, his intended wife, and Richard Stockton, the father of said Annis, by which agreement the said Richard Stockton was invested with a large amount of real and personal property in trust for the benefit of the appellee and his intended wife during their joint lives, and if the said appellee should survive his intended wife and have issue by her, in trust for his benefit and for the maintenance and support of his family, and if there should be no child or children of the said marriage, then after the death of the husband or wife, in trust to convey the property to the survivor in fee simple.

That the appellee being arrested and in actual custody under the *capias ad satisfaciendum,* sued out as aforesaid, it was then and there agreed in writing between the appellants and the appellee that the former should, without prejudice to their rights and remedies against the latter, permit him to be forthwith discharged from custody under the said process, and that the appellee should go to the next session of the Circuit Court of the United States for the Eastern District of Pennsylvania and on the law side of that court make up an issue with the appellants to try the question whether the appellee was possessed of the means, either in or out of the marriage settlement, of satisfying the judgment against him, the said issue to be tried without regard to form or to the time when the jury for the trial thereof should be summoned, the appellee also giving security to abide the result of the trial of said issue. That upon the execution of this agreement, the appellee was released from custody and the marshal for the Eastern District of Pennsylvania, to whom the writ of *capias ad respondendum* was directed, made a return upon the writ that he had taken the body of the appellee into custody and that he had been discharged by the consent and direction of the appellants. That the trial of the issue which was provided for in the said agreement actually took place and resulted in a verdict by which, so far as concerned the purposes of the said trial, it was found that the appellee had not the means, either in or out of the said marriage settlement, of satisfying the judgment of the appellants.

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The bill alleges that by the force and effect of the agreement in writing and of the proceedings in pursuance thereof, the appellee obtained no farther or other right or advantage than a present discharge from close custody and the judgment of a court of competent jurisdiction that he was then possessed of no means, whether in or out of the said marriage settlement, wherewith to satisfy the judgment of the appellants. It farther states that since the judgment upon the issue made up and tried as aforesaid, the wife of the appellee had died without issue, and in consequence of that fact all estate and property vested in the trustee by the marriage settlement, and found by the issue tried as aforesaid to be then protected thereby from the creditors of the appellee, had become the absolute property and

estate of the appellee and had either by the original trustee in the marriage settlement or by his successor been conveyed and delivered over to the appellee as his own estate and property, free and clear of any trust whatsoever.

That the trust created by the marriage settlement, and by which the above property comprised therein was adjudged to be protected against creditors, having expired by its own limitation, that property had become liable to the creditors of the appellee, who were bound to a full account of the value thereof and for the satisfaction of the rights and demands of the appellants out of the same. That the appellants had accordingly applied to the appellee for payment of their judgment, to be made out of the property comprised in and protected by the marriage settlement or out of any other resources at his command, but had been met by a refusal on the part of the appellee founded not upon his inability to satisfy the just claim of the appellants for money actually loaned, but upon an alleged exemption from all liability resulting from the facts of his having been once arrested under a *capias ad satisfaciendum* and subsequently released from custody by consent of the appellants. The bill alleges this refusal and the foundation on which it is placed to be in direct violation of the written agreement, which explicitly declared that it was made for the accommodation of the appellee and without any prejudice whatever to arise to the plaintiffs' (the appellants') rights, by the defendant's (the appellee's) enlargement. It charges the refusal and objection now interposed to be fraudulent and made in bad faith, and as such, though it might avail at law to embarrass or prevent the enforcement of the judgment of the appellants, yet that a court of equity should prohibit a resort thereto on account of its unconscientious and fraudulent character. The bill concludes with a prayer, that the appellee may be enjoined from setting up, as a discharge from the judgment against him, his release from custody under

the circumstances of the case set forth; that an account may be taken of the several subjects of property comprised in the marriage settlement and of the rents, profits, interest, and dividends accruing therefrom since the death of the wife of the appellee; that satisfaction out of those subjects of the judgment and claim of the

appellants may be decreed; the bill seeks also for general relief.

To this bill the appellee (the defendant in the circuit court) demurred, assigning for causes of demurrer that if the taking into custody of the body of the defendant under the *capias ad satisfaciendum* was a legal discharge of the alleged debt, the complainants are not relievable in equity from the effect thereof for or by reason of any act, matter, or thing in the bill alleged, and if the taking into custody was not such a legal discharge, then the complainants have full, adequate, and complete remedy at law, and further that the taking into custody under the said writ was and is to be deemed to have been a discharge and extinction of the judgment of the plaintiffs at law and a discharge and extinction as well at law as in equity of the debt for which the same was obtained, and the cause coming on to be heard upon the demurrer, the court by its decree sustained the demurrer and dismissed the complainants' bill with costs.

The correctness or incorrectness of the decree thus pronounced are now the subjects of our consideration.

Extensive or varied as may be the range of inquiry presented by the bill with respect to what is therein averred to appertain to the merits of this controversy or to the character of the acts of the parties thereto, the view and the action of this Court in relation to that cause must be narrowed necessarily to the questions of law arising upon the demurrer. In approaching these questions there may be propounded as postulates or legal truisms admitting of no dispute the following propositions:

1. That wherever the rights or the situation of parties are clearly defined and established by law, equity has no power to change or unsettle those rights or that situation, but in all such instances the maxim *equitas sequitur legem* is strictly applicable.

2. That wherever there exists at law a complete and adequate power either for the prosecution of a right or the redressing of a wrong, courts of equity, with the exception of a few cases of concurrent authority, have no jurisdiction or power to

act.

To the test of these rules the case before us, in common with every appeal to equity, should be brought, and if the effect of such test should prove to be adverse, that effect should be sought in the character of the appeal itself, and not in objections to maxims which judicial experience and wisdom have long established. Recurring now to the history of this cause, let us inquire

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what was the precise situation of the parties, what their legal rights and responsibilities at the date of the judgment and arising therefrom, what have been their acts and proceedings subsequently to that judgment, and the consequences flowing from their acts to their previous relative position.

Upon the recovery of their judgments, the appellants had their election of any of the modes of final process known to the courts of law, or they might in equity have impeached the marriage settlement for any vice inherent in its consideration or for an attempt fraudulently to interpose that settlement between the appellants' judgment and its legal satisfaction. But in their election of any of the forms of final process, the appellants must be held to have known the nature of that process and the consequences incident to its choice and consummation. To permit an ignorance of these, or in other words an ignorance of the law, to be alleged as the foundation of rights, or in excuse for omissions of duty, or for the privation of rights in others would lead to the most serious mischief and would disturb the entire fabric of social order. In choosing the writ of *capias ad satisfaciendum,* therefore, for the enforcement of their judgment, the appellants can derive no benefit from a presumption of ignorance or misapprehension as to the effects of calling into activity this severest and sternest attribute of the law. Such a presumption is wholly inadmissible. They must be affected with knowledge of whatever has been settled as to the nature of this writ and of whatever regularly follows a resort to its use. They were bound to know 1st, that the service of a *capias ad satisfaciendum,* by taking into custody the body of the debtor, operates a satisfaction of the debt, and for that reason deprives the creditor of all recourse to the lands or chattels or

property of any description belonging to his debtor. For a doctrine well settled and familiar as is that it may appear superfluous to cite authorities, but we may refer to some of these, commencing with the early cases of *Foster v. Jackson,* Hob. 52; *Williams v. Criteris,* Cro.Jac. 136, and Rolle's Abr. 903, and coming down through the more modern authorities of Mr. Justice Blackstone's Commentaries, vol. 3, 415; 4 Burrow 2482; 1 T.R. 557; 2 East 243, and 13 Ves. 193. To these cases might be added many decisions in the courts both of England and in the different states of this country, and as conclusive of the same doctrine in this Court the case of *Snead v. M'Coull,* 12 How. 407. So unbending and stringent was the application of the doctrine maintained by the earlier cases that prior to the statute of 21 Jac. 1, cap. 24, the death of a debtor whilst charged in execution -- an event which rendered the process absolutely unavailable to the creditor -- deprived the latter nevertheless of a right to a farther

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execution, the jealousy of the common law denying to him any power beyond that he had exerted in the privation of the personal liberty of the debtor. The statute of James authorized the exception of the death of the debtor to this inhibition of the common law, and to this exception has been added the instances of escape or rescue, seemingly upon the ground that in these instances the debtor should not be regarded as legally out of custody. The taking of the body under a *capias ad satisfaciendum* being thus held the complete and highest satisfaction of the judgment, it would follow *ex consequenti* that a discharge of the debtor by the creditor would imply an acknowledgment of such satisfaction, or at any rate would take from that judgment the character of a warrant for resorting to this highest satisfaction in repeated instances for the same demand. But the authorities have not stopped short at a mere technical restraint upon the creditor who may seek to repeat the arrest of the debtor whom he once had in confinement; they have gone the length of declaring that if a person taken on a *capias ad respondendum* was discharged, the plaintiff had no farther remedy, because he had determined the choice by this kind of execution, which, affecting a man's liberty, is esteemed the highest and most rigid in the law. *See* the cases from Hobart, Croke Jac. and

Rolle's Abr. before cited. Again, it has been ruled that if the plaintiff consent to the defendant's being discharged out of execution, though upon an agreement, he cannot afterwards retake him, although the security given by the defendant on his discharge should be set aside. 4 Burr. 2482; 1 T.R. 557; 2 East 243; and the Lord Chancellor, in 13 Ves. 193, uses this explicit language, "It is clear that by taking the body in execution, the debt is satisfied to all intents and purposes."

Many American cases may be avouched in support of the same doctrine. In the case of *United States v. Stansbury,* 1 Pet. 573, Chief Justice Marshall says,

"It is not denied that at common law, the release of a debtor 'whose person is in execution' is a release of the judgment itself. The law will not permit a man to proceed at the same time against the person and estate of his debtor, and when the creditor has elected to take the person, it presumes satisfaction if the person be voluntarily released. The release of the judgment is therefore the legal consequence of the voluntary release of the person by the creditor."

In the case of *Wendrum v. Parker,* 2 Leigh, 361, it is said by Carr, J., that the

"levy of a *ca. sa.* and the release of the debtor from execution by the plaintiff or his agent is an extinguishment of the debt I have considered as well settled as any point can be by an unbroken series of decisions."

And in

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the case of *Noyes v. Cooper,* 5 Leigh 186 Brockenbrough, J., says,

"It has been undoubtedly established by a series of decisions that where a defendant in execution has been discharged from imprisonment by direction or with the consent of the plaintiff, no action will ever again lie on the judgment, nor can any new execution issue on that judgment, even though the defendant was discharged on an express understanding that he should be liable again to be taken in execution on his failure to comply with the terms on which the discharge took place."

Upon a collation of the authorities applicable to the acts and proceedings of the parties to this controversy at the time and subsequently to the judgment in favor of the appellants against the appellee, we are led to the following conclusions, *viz.:* that by suing out a *capias ad satisfaciendum* upon their judgment and by taking into actual custody the body of the appellee under this process, the appellants had obtained that complete and highest satisfaction of their demand, of which they could be deprived only by the act of God, by operation of law, or by their own voluntary acknowledgment or by a release of their debtor; that by entering into the arrangement stated in the bill and by discharging the appellee from custody, the appellants have, in all legal intendment, admitted satisfaction of their demand, released the appellee from all liability therefor, and destroyed every effect of their judgment as the foundation of legal rights. Such being our conclusions upon this branch of the case, and the same conclusions being implied in the application of the appellants for equitable interposition, the inquiry here presents itself whether a court of equity can be called upon to abrogate or impair or in any manner or degree, to interfere with clear, ascertained, and perfect legal rights? The simple statement of such an inquiry suggests this ready and only correct reply:

Equity may be invoked to aid in the completion of a just but imperfect legal title or to prevent the successful assertion of an unconscientious and incomplete legal advantage, but to abrogate or to assail a perfect and independent legal right it can have no pretension. In all such instances, equity must follow -- or in other words be subordinate to -- the law. With the view doubtless of giving color to their application, the appellants have intimated (for they can hardly be said to have charged it positively and directly) that the marriage settlement of the appellee was made in fraud of his creditors, and they have directly averred that the refusal of the appellee after the death of his wife to apply the property comprised in that settlement in satisfaction of the judgment of the appellants was at once fraudulent and in direct violation of the agreement in

pursuance of which the appellee was discharged from custody. With respect to each of these allegations, however, the appellants are entirely deficient in their

proofs, and in the latter, the statement does not accord with the document -- that is, the written agreement between the parties on which this averment is founded. No evidence seems to have been adduced upon the trial which took place in pursuance of the agreement, to impeach the fairness of the marriage contract; and the absence of any attempt to establish its unfairness, together with the charge of the court to the jury, would seem to exclude the existence, or at that time the belief of the existence, of fraud in the settlement. The agreement entered into at the time of the appellee's release from custody contains no stipulation that he would hold himself liable to another execution dependent on the event that the issue contemplated by that agreement, or that he would consider the judgment as still in full force against him. And if there had been a stipulation of the kind, we have seen that it could not have averted the consequences flowing from the discharge of the appellee from custody; but the only conditions for which the appellee covenanted were that he would make up and try the issue proposed and would abide the result of the trial; with both of which conditions the appellee has literally complied. This charge of fraud, then, even if it could in any aspect of this question have been available, is entirely unsustained.

With regard to the question raised by the demurrer as to the obligation of the appellants to pursue their remedy at law, under the allegation in the bill, that such legal remedy had been reserved to them by the terms of the agreement, there can be no doubt, upon the supposition that this remedy remained unimpaired, that the appellants could not arbitrarily abandon it, and seek the interposition of equity in a matter purely legal. The averment, therefore, by the appellants of the continuation of their judgment and of their right to enforce it by execution in all their original force and integrity is wholly irreconcilable with any known head or principle of equity jurisdiction, and their bill is essentially obnoxious to objection on that account.

We are of the opinion that the decree of the circuit court, sustaining the demurrer to the bill of the appellants, the complainants in the circuit court, is correct, and ought to be, as it is, hereby

Affirmed with costs.

ORDER

This cause came on to be heard on the transcript of the record from the Circuit Court of the United States for the Eastern District of Pennsylvania, and was argued by counsel. On

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consideration whereof it is now here ordered, adjudged, and decreed by this Court that the decree of the said circuit court in this cause be and the same is hereby affirmed with costs.

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