

Wednesday, May 17.

FIRST DIVISION.

ROBERTSON v. MITCHELL.

*Bankruptcy—Trustee—Removal—Petition.* A petition for the removal of the trustee in a sequestration having been presented by the bankrupt, the Court, before answer, ordered the proceedings to be laid before the creditors. The creditors resolved that the trustee should continue in his office. The resolution having been reported to the Court, the petition was dismissed.

This was a petition and complaint at the instance of Mr Robertson of Dundonnachie against Mr R. Mitchell, the trustee on his sequestrated estate, praying for his removal from the office of trustee on the ground of certain alleged fraudulent proceedings. The Court, by interlocutor dated 17th March 1871, before answer, and reserving all objections to the competency of the petition, appointed the respondent, as trustee, to call a meeting of the creditors, to lay the proceedings before them, and to report to the Court any resolution that the creditors might adopt thereon. A meeting of the creditors was accordingly called by notice and special circulars. The meeting was held on the 8th of April. A large number of creditors were present or represented by mandatories. The whole proceedings having been laid before the meeting, a resolution was proposed and carried, with one dissident, that "the meeting is of opinion that they should not interfere, and that the trustee should continue in his office."

The minutes of the meeting were now reported to the Court and parties heard thereon.

The SOLICITOR-GENERAL and TAYLOR INNES for the respondent.

MORRISON, for the petitioner, was proceeding to address the Court, when Mr Robertson stated that he wished to plead his own case. He accordingly addressed the Court at considerable length.

At advising—

LORD PRESIDENT—When the case was before us on a former occasion, looking to the nature of the allegations made in the complaint, it did not seem to be for the interest of parties that the complaint should be *de plano* dismissed. But the case now stands very differently. The creditors have almost unanimously expressed a very decided opinion on the matter. We must keep in mind that the whole policy of the bankruptcy laws is to make the creditors masters of the bankrupt estate, to the exclusion of the bankrupt. Among other points the election and dismissal of the trustee is left entirely in the hands of the creditors under the statute, whatever may happen at common law under very exceptional circumstances. In the present case it would not be prudent for us to interfere with the resolution to which the creditors have come. We cannot take any step of the kind asked without interfering in the most direct manner with their resolution. It is our duty to refuse this complaint.

The other Judges concurred.

The Court refused the petition and complaint, but found no expenses due.

Agent for Petitioner—R. H. Arthur, S.S.C.

Agents for Respondent—Lindsay & Paterson, W.S.

Wednesday, May 17.

SECOND DIVISION.

MACQUEEN v. MACDONALD.

*Process—Reponing—Appeal—A. S. 10th March 1870, § 3.* An appellant living in the Island of Uist having neglected to print and box the Record, or to instruct an Edinburgh agent to do so within fourteen days after the process had been received by the clerk, *reponed*, on payment of £2, 2s. of expenses, on the ground that the omission had been made *per incuriam*.

In this action, which is one of filiation from the Sheriff-Court of Inverness, the Sheriff-Substitute and the Sheriff gave decree against the defender. Against these judgments the defender minuted an appeal to the Second Division on 13th April, and the process was received by the clerk on 26th April. The time fixed by § 3 of A. S. of 10th March 1870 for the appellant printing and boxing the Record, &c. (fourteen days), having been allowed to expire *per incuriam*, the appellant moved the Court to be reponed in terms of the subdivision 3 of § 3 of the A. S., and to be allowed eight days further to print and box the Record, &c.

FRASER and SCOTT for the appellant.

REIND for respondent.

The Court granted the motion of the appellant. The fact that the case came from the Island of Uist, from which the communication was long and uncertain, and that this was the first case which had occurred under that section of the A. S., had much influence in the judgment, and the Judges indicated opinions that they proceeded on the peculiar circumstances of the case.

The section of the A. S. was not intended to allow an appellant to change his mind after allowing the fourteen days to expire.

The Court reponed, on condition of paying £2, 2s. of expenses.

Agent for the Appellant—John Gelletly, S.S.C.

Agent for Respondent—Crawford & J. Y. Guthrie, S.S.C.

Thursday, May 18.

FIRST DIVISION.

M'ALISTER v. BROWN AND OTHERS.

*Proof—Payment—Writ or Oath—Diligence—Receipts.* Where a party sought to instruct payment by writ or oath of the payees, the Court refused to grant a diligence for the recovery of receipts said to be in the hands of the payees, as the mere fact of such receipts being in their hands, unless supplemented by parole evidence, would not prove payment, but the reverse.

This was an appeal, under the 169th section of the Bankrupt Act, against a resolution of the creditors in the sequestration of James M'Alister, glass merchant in Glasgow. The appeal was taken by M'Alister himself, not *qua* bankrupt, but as trustee of certain parties deceased, alleged to be creditors on his estate. The resolution appealed against was a resolution that the estate shall not be wound up under deed of arrangement; and the object of the appeal was to have it declared that a counter resolution, that the estate ought to be wound up under a deed of arrangement, was carried by a due majority,—that is, by a majority in