

Case No. 2,844.

IN RE CLARKE.

[2 N. B. B. 110 (Quarto, 44).]¹

District Court, S. D. New York.

Sept. 22, 1868.

BANKRUPTCY—FRAUD IN CONTRACTING DEBT—DISCHARGE.

1. An objection to the discharge of bankrupt, grounded upon the fact that the debt was created by fraud, is not a valid one.
2. Debts created by fraud are excepted from the operation of the discharge.

[Cited in Re Wright, Case No. 18,065.]

BLATCHFORD, District Judge. The specifications filed by the creditor as grounds of objection to the discharge, go entirely to the point that the debt due to the creditor was created by the fraud of the bankrupt. This is not a ground, under section twenty-nine [Act 1867; 14 Stat. 531], for withholding a discharge. If the debt was in fact created by the fraud of the bankrupt this will (sections thirty-two and thirty-three) except the debt from the operation of the discharge, and in that way, as to that debt, a discharge will be really withheld. A discharge is granted.

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