DUNLOP ET AL. V. ALEXANDER.

Case No. 4,166.

{1 Cranch, C. C. 498.}[1]

Circuit Court, District of Columbia. July Term, 1808.

LIMITATION OF ACTIONS—WAR—INTEREST.

1. The statute of limitations is not a bar to a British debt contracted before the treaty of peace.

2. Rule for settling interest accounts.

This was an action {by Dunlop and Wilson against Alexander's administrator} for a British debt contracted before 1775, for goods sold to the defendant's intestate by a British factor; the balance was agreed in 1781, and acknowledged often afterwards as a just debt.

The counsel agreed that the statute of limitations might be given in evidence on non assumpsit, if it could avail if pleaded specially.

E. J. Lee, for plaintiff. The statute of limitations is one of the legal impediments to the recovery of debts, which were removed by the treaty of peace, and the convention of 1802. Hopkirk v. Bell, 3 Cranch {7 U. S.} 454, and 4 Cranch {8 U. S.} 164.

THE COURT was of opinion, under the authority of the two cases of Hopkirk v. Bell, in February term, 1806, and 1807, 3 Cranch {7 U. S.} 454, and 4 Cranch {8 U. S.} 164, that the statute of limitations is no bar; it being a legal impediment removed by the treaty of peace and the convention of 1802.

THE COURT said that the correct way of settling interest accounts, is, in case the payment is equal to, or exceeds the interest, to add interest to principal up to the time of the payment, and deduct the payment from the sum of interest and principal; but if the payment does not equal or exceed the interest, the payment is not to be deducted till the time of settlement.

[1] {Reported by Hon. William Cranch, Chief Judge.}