

Case No. 8,528.
[7 Ben. 481]¹

IN RE LOUIS ET AL.

District Court, S. D. New York.

Oct., 1874.

BANKRUPTCY—COMPOSITION WITH CREDITORS—SUFFICIENT SECURITY.

1. A resolution of creditors accepting a composition proposed by bankrupts, provided for the payment of the amount at various times, such payment to be guaranteed by a satisfactory bond, in a penalty named, executed to three persons named, who were the committee appointed by the creditors in the investigation of the affairs of the debtors: *Held*, that it must be understood that the bond was not only to be given to the three persons named, but was to be satisfactory to them.
2. The provision was sufficient, and the resolution must be confirmed.

[In the matter of Solomon Louis and others, bankrupts.]

James Dunne, for debtors.

BLATCHFORD, District Judge. The resolution of composition in this case, after providing for a composition of thirty-seven and a half cents on the dollar, to be paid in cash, as follows, one-half in 60 days after the filing of the statement and the recording of the composition, and one-half in 90 days after the filing of the statement and the recording of the composition, goes on to provide that such payment shall be guaranteed by the giving of a satisfactory bond, in the penal sum of \$20,000, to three persons who are named in the resolution, and are stated therein to be the committee appointed by the creditors in the investigation of the affairs of the debtors, within 5 days after the filing of the statement and the recording of the resolution. This is a sufficient provision. It must be understood from it, that the bond is not only to be given to the three persons named, but is to be satisfactory to them, and that they and they alone are to decide upon its satisfactory character. This obviates the objection stated in the case of *In re Reiman* [Case No. 11,673], to the confirmation of the resolution of composition in that case.

¹ [Reported by Robert D. Benedict, Esq., and B. Lincoln Benedict, Esq., and here reprinted by permission.]