

HALL v. BROOKS.*

(Circuit Court, E. D. New York. November 16, 1882.)

1. REMOVAL OF CAUSE—FAILURE TO FILE RECORD—EXCUSE.

Where, on a motion to remand a cause to the state court for failure to file the record in the circuit court before the first day of the next term, the defendant appeared and offered to file the record, and gave as excuse for not having done so that the information obtained at the clerk's office was understood to mean that the next term would be in December, when it actually began November 1st, *held*, that the excuse was sufficient, and the defendant must be allowed to file the record.

2. SAME—MOTIVE FOR REMOVAL IMMATERIAL.

The failure to file the record having caused no delay of the trial, and in no-wise prejudicing the plaintiff, the fact that the motive for removing the cause was to delay the trial is immaterial, and it is the duty of the circuit court to retain the cause, without regard to the motive which impelled the removal.

Hathaway & Montgomery, for plaintiff.

Clark Brooks, for defendant.

BENEDICT, D. J. This is a motion to remand the cause to the state court because of a failure to file the record in this court on the first day of the next term, which was November 1st. It is admitted that the record has not been filed. The defendant offers now to file it, and his excuse for the failure sooner to file it is that his attorney made inquiry at the clerk's office as to the time of holding the next term of the court, and understood the information there given him to import that the next term of the court would be in December, and therefore supposed that he had until December to file the record.

According to the law as settled by the supreme court of the United States, (*Baltimore & O. R. R. v. Koontz*, 13 Reporter, 228,) failure to file the record on the first day of the next term does not deprive the circuit court of jurisdiction over the cause, and when a sufficient cause for the failure so to file the record is shown, it is the duty of the circuit court to permit the record to be filed, and allow the cause to proceed in the circuit court.

The excuse here made for the failure to file the record at the November term is sufficient, and the defendant must therefore be allowed to file the record at this time. The fact, if it be a fact, that the motive for removing the cause to this court was to delay the trial, is immaterial. The failure to file the record on the first day of the

*Reported by R. D. & Wyllys Benedict.

November term caused no delay of the trial, and in nowise prejudiced the plaintiff. This being shown; and sufficient excuse for the omission given, it is the duty of this court to retain the cause, without regard to the motive which impelled the removal. Upon filing the record, an order may be entered denying the motion to remand.

See *Railroad Co. v. Koontz*, 104 U. S. 5.

FARLEY *v.* ST. PAUL, M. & M. RY. Co. and others.*

(Circuit Court, D. Minnesota. 1882.)

EQUITY WILL NOT AID A FRAUDULENT TRANSACTION OR BREACH OF TRUST.

A court of equity will not aid parties in the consummation or perpetration of a fraud, nor give any assistance whereby either of the parties connected with a betrayal of a trust can derive any advantage therefrom; nor will it unravel a tangled web of fraud for the benefit of any one enmeshed therein, through whose agency the web was woven. Especially must this be the rule where one of its own officers, whose position is both advisory and fiduciary, seeks its assistance to compel alleged confederates to share with him the spoils acquired through his own concealments and deceits in the betrayal of his trusts.

Griffith & Knight, Gilman & Clough, and Davis, O'Brien & Wilson, for complainants.

R. B. Galusha, Geo. B. Young, and Bigelow, Flandrau & Squires for defendants.

TREAT, D. J. This case is before the court on a joint plea and the evidence pertaining thereto. Counsel on either side have given the largest aid to the court by oral arguments, elaborate briefs, and full citations of authorities; and therefore, however interesting an exhaustive review might be if time permitted, the task is unnecessary. It must suffice to state that the supposed conflict of authority, when the cases are analyzed, disappears, so far at least as the rules of equity decisive of the questions now to be determined are involved. It is a controlling maxim that a court of equity will not aid parties in the perpetration or consummation of a fraud, nor give any assistance whereby either of the parties connected with a betrayal of a trust can derive any advantage therefrom.

It is contended that this case does not fall within the general rule, because the fraudulent scheme ended with the purchase of the bonds, and the aid of the court is not invoked to enforce the same. It is clearly shown, however, that such purchase was merely the initiatory

*Reversed. See 7 Sup. Ct. Rep. 534.