

POTTS *V.* HAHN *ET AL.*

*District Court, D. New Jersey.*

May 11, 1889.

FRAUDULENT CONVEYANCES.

Conveyances made without consideration, in contemplation of bankruptcy, and with the intent, participated in by the grantees, to defraud creditors, will be set aside.

In Equity. Bill to set aside conveyances. On final hearing.

For opinion on demurrer to bill, see 32 Fed. Rep. 660.

*G. A. Seixas*, for complainant.

*Samuel Kalisch*, for defendants.

WALES, J. This is a bill to set aside a certain mortgage, and a conveyance of real estate, made by the defendant John Hahn, and also a chattel mortgage made by the same defendant, on the ground that the said conveyance and mortgages were made without any valid consideration, in contemplation of bankruptcy, and in fraud of creditors; and that his co-defendants acted in concert with the said John Hahn in a deliberate scheme to hinder, delay, and defraud his creditors, knowing at the time that he was in failing circumstances, and that proceedings in bankruptcy had been, or soon would be, taken against him. The testimony fully establishes the truth of the material averments contained in the bill. The proof of fraud on the part of John Hahn, and of conscious connivance and active co-operation therein on the part of the co-defendants, is complete and overwhelming, and the conclusion admits of no dispute). Let a decree be entered for the complainant.