

\* \* The same case is thus reported by Dirleton :

1676. February 22.

THE LORDS sustained a declarator, at the instance of a creditor, to hear and see it found, That certain sums, provided by a father to his children, after the contracting of the debt, should be liable and subject to execution for their debt ; and that they should be liable themselves *in quantum lucrati*, though there was not a reduction intended of the said rights, upon the act of Parliament 1621 ; which the Lords were moved to do, not only because they thought, that the said declarator is a reduction upon the matter, but the rather that the summons were offered to be proven by the defenders own oaths : And in effect, as to the most of the sums, they were not a subject of reduction ; seeing the debts were not all assigned to the children ; but the bonds being blank in the creditors name, the father had filled them up in the name of the children ; and as to such as were assigned, for the most part, they were renewed in the name of the children ; the former bonds being given back, with assignments to the same.

1676. July 6.

THE LORDS found, That a father having assigned certain bonds, for provision of his children, the creditors have not only an action of reduction competent to them, but a personal action to refund the sums uplifted, upon the bonds, if the assignation should be found to be fraudulent : But did reserve to the defenders to debate, whether the same was fraudulent ; the defenders having alleged, that the same were granted by their father, having a plentiful fortune for the time, so that he might lawfully provide his children.

Reporter, *Newbyth.*

*Dirleton, No 344. & 373. p. 164, & 182.*

1677. January 5. & 6.

EARL OF QUEENSBERRY *against* LADY MOUSWELL and Her CHILDREN.

IN a multiplepinding raised at the instance of the tenants of Mouswell, against the Earl of Queensberry and other Creditors, as having right by comprisings to the estate of Mouswell ; and the old Lady Mouswell, as being infest in her life-rent of a yearly annuity of 1000 merks, for which she had obtained a decret *in foro contradictorio*, and thereupon had comprised and was in possession ; whereupon she craved preference, both as to the resting bygones and in time coming. It was *alleged* by the creditors, That, by a minute subscribed, the Lady had restricted her annuity to 800 merks yearly, and could crave no preference. And, as to the decret, it could not militate against them, because it contained a special reservation to the creditors, to prove, that within a just and competent time,

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In a reduction upon the act 1621, at the instance of prior creditors, of bonds of provision granted to children ; this defence was found relevant, that the father had sufficiency of estate at the

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time of granting these provisions, to satisfy both them and his former debts.

they had taken order with the debts of the family, and so they had fulfilled their part of the minute, and thereby the Lady's restriction became obligatory.—It was *answered* for the Lady, That she opposes her decret *in foro*, whereby the Lords, after consideration of the minute, finding, upon the death of her husband, she being tutrix to her grandchild, had restricted herself upon that particular consideration of the standing of the family, and that she should have intromission with the rents, and pay the annualrents yearly to creditors; which having failed by the death of the grandchild, after which she had never any meddling, but with her own annualrents, for which she had comprised the estate falling to his uncle, who was major, and suffered the creditors to take away his whole fortune by expired comprisings; and, as to agreement with creditors by friends named in the minute; albeit there was a reversion, upon payment, with (within) a competent time, yet they have never yet instructed that it was performed; but, on the contrary, they only did diligence for their own debts, and suffered several other creditors to comprise for theirs; with whom the Earl of Queensberry having transacted, and agreed with the young Lady for her liferent, he hath thereby gotten the undoubted right to the whole estate.—THE LORDS did prefer the Lady to 1000 merks yearly, as they had done formerly by their first decret.

Upon the 6th January 1677, the preference betwixt the said prior creditors, and the eight children of old Moufwell, besides the heir, was advised: And it being *alleged* for the creditors, That they ought to be preferred, because any right the children had, was but a mere faculty reserved to their father to give them provisions; and the bond granted by him for that effect, obliging his son, being both after the father's being debtor to the creditors by bonds, whereupon they had comprised, and charged the superior to infest; their right became public, and so ought to be preferred to the children whose infestment was only base, being granted by the son to be holden of himself, but was never cled with possession.—It was *answered* and *alleged* for the children, That, notwithstanding, they ought to be preferred; because the infestment granted by the father to his eldest son and apparent heir, being expressly with the burden of their provisions of 18,000 merks, and consented to by the Earl of Queensberry, who was superior; that right (became) public, and by consequence their provisions which did affect the same: And the heir having been in possession, made their right public; so that the creditors comprising long thereafter, and after they were infest by the apparent heir, they could not comprise the fee of their estate, but with the burden of their provisions; which being so small, that in place of 18,000 merks reserved, he did only grant bond for 9,500 merks to eight children; it were against all law and reason totally to frustrate them thereof. *2do*, The pretence of being prior creditors to the contract of marriage, can be no ground to take away their right, because their provisions being no private nor latent deed, but secured by a public infestment of the fee of the lands, the creditors having not only right to reduce the fee, by the act of Parliament, granted to the appa-

rent heir, but likewise to affect heritable sums of money, which did exceed 20,000l., they never having done diligence, cannot take away the small provisions appointed for the children.

THE LORDS did long debate in this case among themselves, as being of a general concernment to all prior creditors, and of all younger children who had security by contracts of marriage; and at last did find, that probation should be led of the true condition of the estate, if it were sufficient for satisfying all prior creditors, if they had done diligence; and that by the division granted to the children, the father, who was debtor, did not thereby become insolvent; which being proven, they did prefer the children to the prior creditors. But I having urged myself, that the reservation in the contract of marriage, not only bearing to provide children, but likewise to contract debt for his other necessary affairs, that the payment of true debt to prior creditors, gave them the benefit of that clause; as well as the children for their provision; and therefore that they ought to come in *pari passu* with them, in case the estate, or a great part thereof, was absorbed and taken away by other creditors who did prior diligence, so that the remainder should be divided notwithstanding.

THE LORDS did prefer the children if it should be found, that the time of their provision, the debtor had enough of estate to satisfy them and his creditors, if they had done diligence against him or his son.

*Gosford, MS. No 932.*

\* \* \* Stair reports the same case thus:

THE LAIRD of Moufwell having disposed his estate to his eldest son by his contract of marriage, in which there is a clause, 'giving power to the father to burden the estate disposed, with 18,000 merks for provision of his children, and doing of his other affairs;' shortly thereafter he grants a bond of provision to his eight children, relative to this power, of 8500 merks, containing a precept of fine, whereupon they were infest; and shortly thereafter he died. His son grants bond of corroboration to the father's creditors, whereupon they apprise from the son's brother and heir, and are publicly infest, and raise reduction of the bairns right, as being in defraud of creditors, in respect that at the granting of their provisions, the father had only his liferent reserved of a part of his estate, and this power of burdening the same; and offered to prove, that his debts did far exceed the L. 1000 Sterling. *2do*, This faculty reserved, bearing to be for his other affairs, allowed him to contract debts, or apply the sum to his anterior creditors. *Ita est*, His son, who was his lucrative successor, having granted bonds of corroboration to his father's creditors, hath in effect applied the sum reserved to them; and the son might have declared against the father, that this faculty was exhausted by his anterior debts, and that no part of it could be applied to the children. *3tio*, The creditors craved preference; because, albeit the chil-

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dren's infestment was prior to theirs, yet a posterior public infestment upon creditors diligence, is always preferred to base infestments, especially to children whose provisions are ambulatory at their parents disposal; and even posterior creditors are preferable thereto, much more prior creditors.—It was answered for the children to the *first* allegiance, That there is no law to hinder parents to provide their children, but on the contrary, the law of God and nature obligeth them to provide for them: It is true, they cannot provide them but out of their own, and cannot prejudice or exclude lawful creditors *ab initio*; yea if the bonds of provision be undelivered, and so in the parents power, their contracting of posterior debts doth so far recall or retrench them, and prefer posterior creditors, if the father hath not an estate sufficient for both: But here the childrens bonds of provision are secured by an infestment registered, and so are noways in the parents power, neither are they latent, but are a real burden on the son's public infestment, which neither the son nor any creditor could disappoint, or otherwise this preparative would ruin all children; this being the most ordinary method to provide them, that when the eldest son is put in the fee of his father's estate, it is with the burden of portions to the other children, as the father should affect the estate; and that their provisions were without fraud or prejudice to anterior creditors. It was offered to be proven, that at the time of this contract, burdened with this faculty, the father had a sufficient estate, far exceeding his debts and their provisions, viz. Lands worth 4000 merks yearly, and L. 20,000 of money; and it is without all pretence of reason, that the son's granting of bonds of corroboration was equivalent, as if the father had applied this faculty to the anterior creditors. And as to the reason of preference of posterior public infestments to prior base infestments, it holds, when the base infestments are latent or fraudulent *retenta possessione*; but in other cases, prior infestments, (though base) have been frequently preferred, even where there was no possession, as when the public infestment intervened before the first term, at which the base infestment might attain possession, or if there were possession upon the infestment, wherewith the base infestment, or the ground thereof was burdened; but in this case, there is no latency or retention of possession, but the bairns infestments are founded upon a real burden of the son's public infestment; neither are the two infestments in competition, granted by the same common author, or proceeding from him; for the childrens infestments proceed from the father, but the creditors infestments are upon apprisings deduced against the son, upon bonds of corroboration granted by the son, and not upon the father's bonds; and so proceed only as creditors to the son: And it is beyond question, that no deed by the son, or against the son, upon his own bonds, could evacuate the real burden in the son's own infestment, which being apprised from the son, it must *transire cum suo onere*; and albeit the son's bonds be corroborative of the father's, yet that will not state the apprisers, as if they had apprised from the father upon his bonds; for then both infestments had been from the same common author: But it is undeniable, that the father's bonds remain mere personal rights, and can have no effect, by

way of competition or preference, but by way of reduction upon defraud of creditors.—It was *answered*, That the father's reservation can only import the standing of his own investment in fee, *ad hunc effectum*, to give investments to his children or creditors, for L. 1000 Sterling; and therefore the children's investments being base, would be excluded by a more effectual investment granted by the father, though posterior; and therefore the creditors, by their appraisings, carrying the son's public investment of fee, do proceed from the father, as the same common author. *2do*, And if need be, it is offered to be proven, that the father, at the time of these bonds of provision, had not a visible estate to pay his debts, and these provisions.—It was *replied*, That this faculty was not founded upon the father's investment, but is a part and burden of the son's public investment; for, if this faculty had been conceived in favours of a stranger, who never was invest, an investment granted by him conform to the faculty would be real and effectual.

THE LORDS found, That the childrens investment, albeit base, without possession, yet being a burden upon the son's public investment, was preferable to the investments of the appraisers, apprising from the son upon his bonds of corroboration, though for the father's debt, and not proceeding upon the father's bonds; but found the reason of reduction relevant for the creditors, that the father had not sufficiency of estate at the time of granting the childrens provision, to satisfy both his debts and their provisions; and found the fee of his estate disposed to his son, was to be accounted as a part of his father's estate, either being burdened with the father's anterior debt by law or paction, and that the creditors could not exclude the bairns provisions, seeing they might affect the fee disposed to the son, unless that were insufficient. And whereas the defence of a sufficient visible estate was a contrary allegiance, and positive, the LORDS admitted to the childrens probation, the father's estate the time of the provision, and to the creditors probation the burdens of the estate, and the father's anterior debts.

*Stair, v. 2. p. 486:*

\* \* Dirleton also reports this case:

JAMES DOUGLAS of Mouswell, by contract of marriage betwixt his eldest son James Douglas, and — Lawrie, did dispone to his son the fee of his estate, reserving his own liferent; and with a provision to be contained in the investment, that it should be lawful to him to take on and burden the estate with the sum of 18,000 merks, for the provision of his other children, and for doing his other affairs: And accordingly the said James did provide, to eight children, 9000 merks out of the said estate, by a bond granted within a year after the said marriage, and investment thereupon.

Both the father and the son, the said being deceased, and the son having left only one son of the marriage, an infant, there followed a contract betwixt Agnes Rome, grandmother to the child, and Janet Lawrie, the mother, and certain friends of the family, whereby it was agreed that the grandmother should quit

No 80. 200 merks of her liferent yearly, and the mother 400 merks of her liferent ; and that the grandmother should confirm her husband's testament, for payment of his debts ; and for the superplus of the debt, the friends should undertake the same ; and upon payment, having taken right thereto, should supercede personal execution until the child were major ; the annualrents being in the mean time paid by the grandmother, as tutrix to her grandchild. The grandchild having deceased, while he was yet an infant, both the creditors and the friends, and the relict, did take a course to affect the estate by comprisings ; and, upon their infestments and rights, having pursued the tenants, so that they were forced to raise a multiple-pounding, it was *alleged* for the creditors, That the grandmother her liferent ought to be restricted, conform to the said contract, whereby she had discharged the said 200 merks yearly. Whereunto it being *answered*, That *res devenerat in alium casum* ; and that the said restriction was in favours of her grandchild, and for the standing of the family, and in contemplation of the undertaking, and obligation foresaid of the friends, which they had not done, and *cessante causa cessat effectus* ; and the estate being altogether ruined, she ought to be in her own place.

And albeit it was thereto *replied* by the creditors, That, whatever might be pretended to be the impulsive cause, yet the said restriction being once granted, doth continue, notwithstanding of the pretence foresaid ; seeing there is no resolute clause or provision, that the case above-mentioned falling out, the grandmother should be in her own place ; but, on the contrary, it appears by the contract, that the death of the child was then under her consideration, in respect, it is provided expressly, that if the child should die, the restriction of the mother's liferent should cease, and she should be in her own place ; and so the provision foresaid being only in favours of the mother, and not of the grandmother, *exceptio firmat regulam in non exceptis* : It being considered likewise, there was not the same reason for the grandmother, in respect, by the decease of the child, the mother's interest in the estate did altogether cease, whereas the heir who did succeed to the child, was the grandmother's own son : And, as to the pretence that the friends had not fulfilled their part of the contract, it was *answered*, That the contract being in effect in favours of the family, both the relict and the creditors were thereby obliged, and might yet be urged to fulfil their obligations : And though they should both fail, the family could not be prejudged ; and that the friends, accordingly as they were obliged, they had taken course with the debts ; and though it was pretended that they had not done it *debito tempore*, the said pretence was of no moment, seeing no time is limited by the contract.

Nevertheless the Lords reponed the relict against the said restriction.

In the same cause, there being a competition betwixt some of the creditors whose debts were contracted by the grandfather Agnes Rome's husband before his son's contract of marriage ; and betwixt the children who were infest, as said is, upon the bond of provision, granted by their father, conform to the faculty foresaid :

It was *alleged* for the creditors, That they ought to be preferred, in respect, that upon bonds of corroboration granted by the son, the fiar, they had comprised and were infest by public infestments; at least they had charged the superior, so that their right being public, and for a true debt anterior to the children's provision, they were preferable to the children, their infestment being base.

THE LORDS found, That the children should be preferred, in respect the comprisings were against the son, and the comprisers could be in no better case than the son himself, whose right was affected with the said faculty in favours of the children; so that neither he nor any having right from him, could question the right granted by virtue of, and conform to the said faculty.

This decision, being by plurality, seemed hard to some of the Lords, who did consider, that the foresaid faculty was not only in behalf of the children, but of supervenient creditors, if the father had thereafter contracted any debt, and if the father had given surety to the said supervenient creditors by base infestments, and if his anterior creditors, before the said contract, had comprised and had been infest, they would have been preferred to the said posterior creditors having only base rights, and *multo magis* to the children.

They considered also, that the estate being, by the said contract, disposed simply to the son, with a reservation only of the father's liferent and the said faculty; and the son not being obliged to pay the father's debts by the said contract, if there had been 18,000 merks of debt anterior to the contract, anterior creditors might have pursued the son for the same, not only because he was apparent heir and *successor titulo lucrativo*, but because he was obliged by the contract, at least his estate burdened for the said sum; and the anterior creditors might either have taken that course, or might have comprised the interest competent to the father by the said faculty: And seeing the son might have been forced in manner foresaid to satisfy the said creditors, he might have granted bonds of corroboration, whereupon they might have comprised; and having comprised, and having gotten public rights, they are preferable to the base right of the children.

In the same cause, the creditors did *allege*, That they ought to be preferred to the children, because their provision was after their debt, and was without an onerous cause: And, nevertheless, the Lords found the defence for the children relevant, *vis.* That their father, the time of the granting of the said bond, for their provision, had a sufficient estate besides, out of which the creditors might have been satisfied.

This decision being also by the major part, seemed hard to others, who thought that a debtor could do no deed in prejudice of his creditors, without an onerous cause: And though the father might be looked upon, the time of the granting of provisions to children, as in a good condition, and therefore the creditors to be secure and needed not to do diligence; yet, if thereafter he should become insolvent, the loss ought to be upon the children, and not the creditors: And that

No 80. it being a principle, *that a debtor can do nothing in prejudice of his creditor, without an onerous cause*, it is certainly both fraud and prejudice, that he should not pay his debt, but should give away to his children, that part of his estate which the creditors might have affected: And inhibition being only in these terms, *That the party inhibited should do no deed in defraud of the creditor*; it might be pretended, by the same reason in reductions *ex capite inhibitionis*, that the party inhibited did nothing in defraud or prejudice of the pursuer, in respect the time of the granting the bond or right craved to be reduced, he had effects and sufficiency of estate beside. See FACULTY.

For Queensberry and other Creditors, *Lockhart, &c.*  
*Cunningham, Anderson, & Mackenzie.*

For the Children and Relict,  
Clerk *Gibson. In presentia.*

*Dirleton, No 418. p. 205.*

No 81. 1679. February 7. HAMILTON of Pardowie, against Mr ANDREW HAY.

BONDS of provision sustained, though the fathers be under burden, if solvent, and he have another visible estate, as found in the case of Moufwell's Creditors, No 80. p. 961.)

*Fol. Dic. v. 1. p. 71. Fountainhall MS.*

No 82. 1679. December 23. ERSKINES against CARNEGIES & SMITH.

No 82.  
A wife was provided to the liferent of her husband's whole means. She restricted herself to a half, and renounced the remainder in favour of her children. The children were postponed to creditors whose debts were before the contract of marriage. There was no other fund of payment during the relict's life.

JOHN ERSKINE having adjudged certain tenements in Edinburgh, upon a debt due by Alexander Carnegie, pursues Janet Smith, relict of the said Alexander, as possessor of the maills and duties. Compearance was made for James and Elizabeth Carnegies, who craved preference for the half of the rents of these tenements, because, by contract of marriage betwixt the said Alexander and the said Janet Smith, 'she was provided to the liferent of the said whole tenements, but in case there were children surviving, she restricts herself to the one half, and renounced the same in favours of the children;' so they being the only children of that marriage, have right to that half.—The pursuer answered, That this was a fraudulent contrivance, to prefer children to creditors, preceding the contract, which, if sustained, would be of pernicious consequence; for, though a mother may restrict in favours of children, where there remains to the father a sufficient free estate to satisfy his debt; but here the pursuer was an anterior creditor, and the defunct's whole means and estate was liferented by his wife, his tenements being worth 1800 merks, or 1000l.; and the tocher also liferented by the wife, being 5000 merks; so that the liferent was exorbitant, and the constituent had nothing unliferented.—It was replied, That beside the tocher, he had 1000l. to be paid at his good-father's death, with the property of the houses and the tocher.