

Robertsdale State Bank,)
a corporation,)
vs.)
Samuel F. Reed and)
Isabel Reed.)

In Circuit Court of Baldwin County, Alabama.
In Equity.

The joint and separate answer of Isabel Reed and Samuel F. Reed to the Bill of Complaint filed against them in the above stated cause.

First.

Respondent admit the allegations of the first paragraph of the Bill.

Second.

Respondents admit the allegation in the second paragraph, that said Samuel F. Reed endorsed a certain promissory note of the Dixie Development Company, for \$411.35 payable June 30th.1912, dated March 30th.1912, and that said note was not paid at maturity, but Respondent deny that any part of said note is still due Complainant, or that said Samuel F. Reed is liable as an endorser of said note.

Respondents show to the Court that said note was fully paid to the Complainant, said Robertsdale State Bank, some time in the year 1914, after the Complainant had received payment in full of said note it was by said Bank stamped "Paid", and delivered and surrendered to the makers of said note, the Dixie Development Company and C. B. Lozier and ~~thereby~~ said Samuel F. Reed was fully released and discharged from all liability on said note by said Robertsdale State Bank.

Further answering the Second paragraph of said Bill, Respondents say, that on the same day that said note was made, March 12th.1912, the Dixie Development Company, a corporation, and C. B. Lozier made and executed a mortgage to the Robertsdale State Bank, a corporation, on certain personal property therein described, to secure the payment of said note for \$411.35, dated March 12th.1912; said mortgage was filed for record in the office of the Judge of Probate of Baldwin County, Alabama, on June 26th.1912, and on November 18, 1914 the said Robertsdale State Bank, by Wm. McIntosh, Cashier, entered on the margin of the record where said mortgage is recorded, this statement, "Full payment and complete satisfaction for the debt secured by this instrument having been made, the same is hereby cancelled and discharged, this 18th. day of November 1914," which cancellation was attested by the Judge of Probate of Baldwin County, Alabama.

Third.

Respondents deny the allegation in the Third paragraph of the Bill, that at the time of the execution and endorsement of said note for \$411.35 said Samuel F. Reed was the owner of the land described in this paragraph of the Bill; on the contrary Respondents show, that the conveyance to Samuel F. Reed of the lands described, viz:-

The South-west Quarter of the North-west quarter of Section Ten, Township Six South, Range Four East in Baldwin County, Alabama, was made on the 7th day of February 1916, by Martin Bye and Olga Bye, his wife, to Samuel F. Reed. The negotiations for the purchase of this land were made long after said note for \$411.35 had been fully paid, and the note surrendered to the makers of the note, and long after the mortgage given by the makers to secure the payment of the same had been cancelled on the Records of this County. The fact of the payment of the note on which he was endorser and the surrender of the same to the Dixie Development Company and C. B. Lozier and the cancellation of the mortgage given to secure the payment of said note was fully known to Respondent Samuel F. Reed before he entered into negotiations for the purchase of the land above described.

Further answering the Third paragraph of the Bill, Respondents say, that the purchase money for the land conveyed to Samuel F. Reed by Martin Bye and wife, was the individual property of Respondent, Isabel Reed, that the same was paid through the Robertsdale State Bank, the Complainant, and came to the said Complainant as the money of said Isabel Reed.

It is true that said Samuel F. Reed held the title in his name until some time in January 1919, when he made a deed to Isabel Reed for the recited consideration of One Dollar and love and affection, but the real consideration was the fact that the purchase money paid to Martin Bye and wife was the money of said Isabel Reed. Samuel F. Reed held the title in his name until certain liens against said land were paid off, when he made the above conveyance to his wife, said Isabel Reed.

Fourth.

For answer to the Fourth paragraph, Respondents say they knew nothing about the suit of James a. Lewis and Rosa Lewis against the Complainant, except in a vague and general way; they were not parties to the suit and never considered that they had any interest in it.

Fifth.

For Answer to the Fifth Paragraph of the Bill, Respondents deny that the execution of the deed of Samuel F. Reed in January 1919 to Isabel Reed, had any connection with the appeal in the case of the Complainant against James A. Lewis; neither of these Respondents had any knowledge or information that an appeal had been taken or that the same had been dismissed. They knew absolutely nothing at that time about the condition of that case, nor do they know now how that case stands except from the statements in the Bill of Complaint in this cause.

Sixth.

For Answer to the Sixth paragraph of the Bill, Respondents most emphatically deny each and every charge and allegation therein contained. ~~in said paragraph~~

Respondent Samuel F. Reed knew as a fact, ^{in the year 1914,} that the personal property described in the mortgage given by the Dixie Development Company and C. B. Lozier to said Robertsdale Bank to secure the payment of the note for \$411.35, which he had endorsed, had been turned over to the Robertsdale Bank, and that the said Bank had sold said property for more than enough to pay said note, he further knew that said Bank had stamped said note, "Paid" and had surrendered the note to C. B. Lozier, the president of the Dixie Development Company, and one of the makers of said note. He saw the note in Mr Lozier's hands after it had been stamped paid and surrendered by the Bank to the makers, and he had no reason to apprehend that he could be held liable on said note. He also knew that the said Bank had declared by an entry on the record where the mortgage given to secure this note was recorded, that the debt was fully paid and the mortgage cancelled and discharged.

Further answering Respondents, show to the Court that said Robertsdale State Bank is not the legal owner and holder of said note for \$411.35 dated March 30th. 1912 and payable June 30th. 1912; that more than two years after said Bank had received payment of said note, and had stamped the same "Paid" and surrendered it to Mr C. B. Lozier, the attorney for said Bank borrowed said original note and the mortgage securing the same from said C. B. Lozier, for the ^{sole} purpose of using ~~as~~ evidence in another case, and have refused to return the same to said C. B. Lozier, notwithstanding the fact that said Lozier has made a demand on the present attorneys of the Bank for its return.

Further answering Respondents say, that said Samuel F. Reed received not one dollars benefit from the execution of said note for \$411.35, but that he affixed his name purely as an act of accommodation on said note, which fact was well known to the Complainant;

That in the mortgage given to secure said note and in which said note is described his name is not mentioned as being a party to said note; that while he considered himself an endorser of said note, he felt sure that his liability had ceased, when the payee of said note the Complainant in this case, and the holder of said note intentionally cancelled said note in 1914 by stamping the same paid, and surrendered it to the makers, and also marked it paid and the mortgage cancelled and discharged on the records of this County on November 18th. 1914.

And having fully answered Respondents pray to be hence dismissed with their costs.



Solicitor for Respondents.

Robertsdale Ala Feb 9, 1916. No-

Robertsdale State Bank 61-375-

Pay to the order of Matin Rye 800⁰⁰

Eight Hundred & no/100 Dollars

Mrs S. F. Reed.

Stamped paid by Robertsdale
State Bank Feb 9, 1916

Enclosed Matin Rye

RETURN RECEIPT.

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

S F Reed

(Signature or name of addressee.)

(Signature of addressee's agent.)

JAN 10 1921

Date of delivery, _____, 191

Form 3811

Filed Jan 12 1921
McClintock
Registered

16-3116

Post Office Department
OFFICIAL BUSINESS

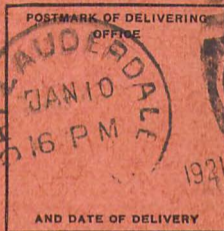
REGISTERED ARTICLE

No. 626

INSURED PARCEL

No. _____

PENALTY FOR PRIVATE USE
TO AVOID PAYMENT OF
POSTAGE, \$300.



Return to J. M. Richerson
(NAME OF SENDER)

Street and Number, }
or Post Office Box, }

Post Office at Bay Minette

State Ala.

RETURN RECEIPT.

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

Isabel Reef

(Signature or name of addressee.)

(Signature of addressee's agent.)

Date of delivery, *1-10*, 19*21*

Post Office Department
OFFICIAL BUSINESS

REGISTERED ARTICLE

No. 625-

INSURED PARCEL

No. _____

*Filed
Jan 12th
1921
J. M. Richardson
Registered*

PENALTY FOR PRIVATE USE
TO AVOID PAYMENT OF
POSTAGE, \$300.



Return to _____

J. M. Richardson

(NAME OF SENDER)

Street and Number, }
or Post Office Box, }

Post Office at _____

Bay Minette,

State _____

ala

TO THE HONORABLE JOHN D. LEIGH, JUDGE OF THE CIR-
CUIT COURT OF BALDWIN COUNTY, ALABAMA, SITTING IN EQUITY.

The ROBERTSDALE STATE BANK, by this bill of complaint exhibited against ISABEL REED and SAMUEL F. REED, respectfully shows:

FIRST: That Complainant is a banking corporation organized under the laws of Alabama and having its principal place of business at Robertsdale, Baldwin County, Alabama; that Isabel Reed and Samuel F. Reed, her husband, are both over the age of twenty-one years, non-residents of the State of Alabama and reside in Broward County, Florida, their address being Ft. Lauderdale, Florida.

SECOND: That the Defendant, Samuel F. Reed became indebted to Complainant on or about the 30th day of March, 1912, when he, with others, endorsed a certain promissory note of the DIXIE DEVELOPMENT COMPANY, dated March 30, 1912, and payable to the order of complainant in the sum of FOUR HUNDRED AND ELEVEN DOLLARS AND THIRTY-FIVE CENTS; that said note was not paid at maturity and that there is still due thereon to Complainant a balance of FOUR HUNDRED AND TWENTY-ONE DOLLARS AND FIFTY CENTS, with interest from Nov. 24th, 1920, for which the said Samuel F. Reed, as an endorser, is liable and to recover which amount suit is now pending against said Samuel F. Reed on the law side of this Honorable Court.

THIRD: That at the time of the execution and endorsement of said note Samuel F. Reed was the owner in fee simple of certain lands in Baldwin County, Alabama, viz, the Southwest quarter of the Northwest quarter of Section ten, Township six South of Range ~~Four~~ East, containing forty acres and continued as such owner until about January 20, 1919 on which date he executed a deed to said land in favor of his wife, Isabel Reed, for a recited consideration of One Dollar and love and affection. This deed was subsequently recorded in the Probate Records of Baldwin County

in Deed Book 27, page 663.

FOURTH: That prior to the execution of the deed aforesaid, certain funds in Complainant Bank were sought to be held as against the debt, which funds were deposited to credit of J. A. Lewis and Rosa Lewis, J. A. Lewis being an endorser on said note, but the action in so holding had been contested by Rosa Lewis, the wife of J. A. Lewis, and after considerable litigation the contention of Rosa Lewis was upheld. J. A. Lewis had by this time removed from the State of Alabama and left no assets therein.

FIFTH: That the deed of Defendant, Samuel F. Reed, to his wife and co-defendant, Isabel Reed, was executed and delivered within a few days after the appeal in the case of Complainant against J. A. Lewis had been dismissed and Complainant forced to look to the other endorser on the said note for payment.

SIXTH: Complainant now charges that the conveyance of Samuel F. Reed to Isabel Reed, his wife, was made as soon as said Reed realized that he would probably be held on his endorsement and with the intent to hinder, delay or defraud his creditors and particularly Complainant by removing said land from the reach of any legal process that might be instituted to secure the payment of the note of which the said Samuel F. Reed was endorser; that such conveyance was without valuable consideration and hence is not valid against the claims of the legal creditors of the husband and that the property sought to be conveyed thereby should in equity be subjected to the payment of Samuel F. Reed's debts.

The premises considered, Complainant prays that Samuel F. Reed and Isabel Reed be made parties defendant to this bill of complaint and by appropriate process of publication or otherwise be required to answer same within the time defined by law.

BOND

Complainant further prays that your Honor take jurisdiction of this cause and that on the hearing of same a decree be rendered setting aside and declaring void and of no affect the deed of Samuel F. Reed to Isabel Reed described in the third paragraph of this bill and subjecting the property therein described to the payment of the debt of Complainant; that upon the failure of defendant, Samuel F. Reed, to fully pay and satisfy such debt in the amount shown to be due by law, that a further order be made that said lands be sold under the direction of this Court and the proceeds thereof applied to the satisfaction of said debt, also that Complainant may have such other, further or different relief as in equity may seem meet.

And Complainant will ever pray, etc.

Rickaby & Beebe
Solicitors for Complainant.

The Defendants are required to answer all allegations of the foregoing bill, but oath to such answer is hereby waived.

Rickaby & Beebe
Solicitors for Complainant.

STATE OF ALABAMA)
BALDWIN COUNTY)

Before me, the undersigned authority, personally appeared this day W. C. Beebe, who being sworn says that he is of counsel for Complainant in the foregoing bill; that the defendants therein named are both over the age of twenty-one years, non-residents of the State of Alabama and their Post Office Address in St. Landersdale Florida, so that service by process of publication or registered mail is necessary in this cause.

W C Beebe

Sworn to and subscribed before me this the 7 day of January, 1921.

Register, Circuit Court, Baldwin
County, Alabama.