

GARNISHMENT ON CONTINGENT CLAIMS.—It is generally held as a strict proposition of law that a claim may not be garnished unless, at common law, the debtor could recover in an action either of debt or *indebitatus assumpsit* against the garnishee.<sup>1</sup> This rule, it would seem, would necessarily exclude from the operation of the process all claims, whether in tort or contract, as well as claims in equity, which are not absolute in nature, and payable at some time without contingency.

Garnishment being a purely statutory remedy it becomes important, in determining what claims or demands are or are not so unliquidated or contingent as to be beyond the reach of process, to look to the phaseology of the statute.<sup>2</sup> The reason for the rule in New Jersey lies in the fact that the statute in effect generally limits the process in one way or another to "rights and credits" and "indebted".<sup>3</sup> Thus in an early New Jersey case it was held that a liability for neglect of duty did not create an indebtedness, or such a right or credit, as to be liable to seizure under attachment.<sup>4</sup> It is a cardinal rule of the law of garnishment that a plaintiff acquires no greater right against the garnishee than the defendant would have, and can occupy no better position with respect to the garnishee than the defendant could in an action brought by him against the garnishee.<sup>5</sup> The New Jersey courts took cognizance of this principle in the recent case of *Rigelhaupt v. Russo*.<sup>6</sup>

It is not sufficient that there be only a debt owing between the garnishee and the defendant, but such a debt must be absolute and not a mere contingent or conditional liability.<sup>7</sup> So, in the case of a construc-

<sup>1</sup> *National Commercial Bank v. Miller*, 77 Ala. 168, 54 AM. REP. 50 (1884); *Cunningham v. Baker*, 104 Ala. 160, 16 So. 68, 53 AM. ST. REP. 27 (1894); *Redondo Beach Co. v. Brewer*, 101 Cal. 322, 35 Pac. 896 (1894); *Troy Laundry & Machinery Co. v. Denver*, 11 Colo. App. 368, 53 Pac. 256 (1898); *Webster v. Steele*, 75 Ill. 544 (1874); *Wilcus v. Kling*, 87 Ill. 107 (1877); *Burgess v. Capes*, 32 Ill. App. 372, *aff'd*, 135 Ill. 61, 25 N.E. 1000 (1890); *Williams v. Gage*, 49 Miss. 777 (C.C. 1874); *Eddy v. Heath*, 31 Mo. 141 (1860); *Paul v. Paul*, 10 N.H. 117 (Sup. Ct. 1839); *Hugg v. Booth*, 24 N.C. (1 Ired. L.) 282 (Sup. Ct. 1842); *Keyes v. Milwaukee & St. P. R. Co.*, 25 Wis. 691 (1870).

<sup>2</sup> See note 59 L.R.A. 353 (1902).

<sup>3</sup> I N. J. COMP. STAT. (1911) 132.

<sup>4</sup> *Lomerson v. Huffman*, 25 N.J.L. 625 (E. & A. 1856). The claim was in effect for the neglect of a constable to execute a writ or to collect money due on execution and it was held that there was invoked no indebtedness to the principal defendant, who could not sue the constable for money had and received, for he had never received the money; if the constable, through negligence or neglect of duty, had lost the purchase money, he would have been liable to an action for the wrong; but he could not have been indebted to the defendant until he received the money.

<sup>5</sup> *Johnson v. Healey*, 35 R.I. 192 (1913); *Strauss v. Chesapeake & O. R. Co.*, 7 W. Va. 368 (1873); *Curtis v. Alvord*, 45 Conn. 569 (1878). The court in this last case said, (the garnishee) "is not to be placed in a position worse than that which he would occupy if the principal had sued him for the debt."

<sup>6</sup> 13 N.J.Misc. 278, 177 Atl. 878 (C.C. 1935).

<sup>7</sup> 2 SHINN, ATTACHM. and GARNISHMENT, sec. 643, p. 1059.

tion contract where the employer is not to become indebted to the contractor until performance in all particulars, there is no indebtedness owing to the contractor which may be reached in a garnishment proceeding until the terms of the contract have been performed.<sup>8</sup> Likewise, accounts placed in the hands of the garnishee for collection, but uncollected when the writ was served, are not garnishable.<sup>9</sup> Alimony in the hands of a divorced husband is not subject to garnishment in an action brought against the wife.<sup>10</sup> Indebtedness dependent upon collection of money from a third person is contingent and cannot be garnished until after collection.<sup>11</sup>

These examples have been of tangible matters in which the contingency has gone to the very essence of the debt, in the sense that it could never become due and payable. Although it is indispensable to the liability of a garnishee to the plaintiff that his debt to the defendant be owing absolutely, it is not necessary, in the absence of statutory provisions to that effect, that the debt should be due at that time.<sup>12</sup> Accordingly, it has been held that prior notice or demand before defendant's right will become technically complete does not amount to such a contingency or uncertainty as to defeat garnishment proceedings.<sup>13</sup> This rule has been asserted as to money deposited in a bank.<sup>14</sup> We see

<sup>8</sup> *Corsiglia v. Birnham*, 189 Mass. 347, 75 N.E. 253 (1905); *Hermann & Grace v. New York*, 130 App. Div. 531, 114 N. Y. Supp. 1107 (1909), *aff'd*, 199 N.Y. 600, 93 N.E. 376 (1910); *Excelsior Brick & Stone Co. v. Haines*, 5 Pa. Co. Ct. 631, 45 Phila. Leg. Int. 256 (1888); see note 82 A.L.R. p. 1115 (1932).

<sup>9</sup> *Acheson Hardw. Co. v. Western Wholesale Notions Co.*, 72 Utah 323, 269 Pac. 1032 (1928); see note 60 A.L.R. 884 (1928).

<sup>10</sup> *Wright v. Wright*, 93 Conn. 296, 105 Atl. 684 (1919); see note 55 A.L.R. 361 (1927). This is true where the decree is not for a specific division of property, but for a commutation payment in money. Since there is no specific fund in the husband's hands charged with payment, the alimony being charged upon the whole of his estate, the obligation to pay is not a "debt" within the garnishment statute.

<sup>11</sup> *Black v. Zacharie & Co.*, 3 How. 483, 11 L. Ed. 690 (1845); *Dennison v. Soper*, 33 Iowa 183 (1871); *Norton v. Soule*, 75 Me. 385; *Foster v. Singer*, 69 Wis. 392, 34 N.W. 395 (1887); see 28 C.J. 130, 134, sec. 172; see also note 31 [b] at page 134 for this interesting example of this proposition. "The fact that an attorney holds a check in favor of his client will not warrant garnishee process against the bank upon a claim of the attorney against his client."

<sup>12</sup> 2 *Shinn*, *op. cit. supra* note 7, secs. 480, 481, 643; *Smith v. Marker*, 154 Fed. 838 (1907); *Mims v. West*, 38 Ga. 18, 95 Am. Dec. 379; *Tober v. Nye*, 29 Mass. 105 (1831). *Briant v. Reed*, 14 N.J.Eq. 272 (Ch. 1862). The court holds that debts due upon either negotiable or non-negotiable instruments even before maturity are "rights or credits" under the attachment statute.

<sup>13</sup> *Birmingham Nat. Bank v. Mayer*, 104 Ala. 634, 16 So. 520; *Ober v. Seegmiller*, 180 Iowa 462, 160 N.W. 21 (1916); *Atwood v. Dumas*, 149 Mass. 167, 21 N.E. 236 (1889); *Legan v. Smith*, 98 Nebr. 7, 151 N.W. 955 (1915); *Ellison v. Straw*, 119 Wis. 502, 97 N.W. 168 (1903).

<sup>14</sup> The right of a creditor to attach bank deposit funds is not limited by such bank regulations as those requiring presentation of bank book and demand or notice prior to withdrawal of funds by depositors. *Montreal Bank v. Clark*,

further evidences of the recognition of intangible rights as subjects of garnishment in the attachment of the surplus in the hands of a chattel mortgagee after condition broken,<sup>15</sup> in an attachment on defendant's interest in a deposit in lieu of bail,<sup>16</sup> in an attachment issued on a debt which is equitably due,<sup>17</sup> in an attachment of funds in charge of a trustee before the settlement of his accounts and the ascertainment of the share of the debtor,<sup>18</sup> in attachment upon real estate in the hands of the devisee for a debt of the legatee.<sup>19</sup> Thus, we see in process of development an extension of the scope of the remedy from tangible to intangible non-contingent interests.

There is, however, a seeming reluctance of the courts to extend the scope of garnishment on from non-contingent intangible rights to finally contingent interests. This is perhaps explainable in the general hesitancy of the courts to widen the scope of remedies to interests of this character. A few states, recognizing the advantages to accrue in the broad application of the remedy have gone as far as expressly providing for the garnishment of contingent claims.<sup>20</sup> Many states have dared to permit attachment only on instruments for the payment of money due in the future, stocks in a corporation, and generally "choses in action".<sup>21</sup> Other states expressly provide for the liberal construction of attachment statutes.<sup>22</sup>

New Jersey in an early case saw fit to bring itself within this last category.<sup>23</sup> The garnishment statutes of New Jersey and Ohio have been classified as similar, especially as to the specific limitation of appli-

108 Ill. App. 163 (1903); *Maloney v. Casey*, 164 Mass. 124, 41 N.E. 104 (1895); *Graf v. Wilson*, 62 Ore. 476, 125 Pac. 1005, Ann. Cas. 1914c 469 and note (1912).

<sup>15</sup> *Root v. Davis*, 51 Ohio St. 29, 36 N.E. 669 (1894).

<sup>16</sup> *Dunlop v. Patterson F. Ins. Co.*, 74 N.Y. 145 (1878).

<sup>17</sup> *Davis v. Eppinger*, 18 Cal. 378 (1861).

<sup>18</sup> *Groome v. Lewis*, 23 Md. 137, 87 Am. Dec. 563 (C.A. 1865).

<sup>19</sup> *Woodward v. Woodward*, 9 N.J.L. 115 (Sup. Ct. 1827).

<sup>20</sup> KAN. REV. STAT. ANN. (1923) c. 60, sec 946; see *Farmers' & Merchants' Bank v. Dondelinger*, 103 Kan. 444, 175 Pac. 109 (1918); MICH. COMP. LAWS (1915) sec 13123 (2); see *Ferry v. Home Sav. Bank*, 114 Mich. 321, 72 N.W. 181 (1897).

<sup>21</sup> MASS. GEN. LAWS (1921) c. 223, sec. 74; CONN. GEN. STAT. (1918) sec. 5869; see *Graf v. Wilson*, *supra* note 14; *Norton v. Norton*, 45 Ohio St. 509, 3 N.E. 348 (1885); *Warner v. Bank*, 115 N.Y. 251, 22 N.E. 172 (1889). Here the right of the debtor "to compel its pledgee to account to it as to the pledged paper, and to receive the surplus of the proceeds of collection, after satisfying the pledgee's claim for advances, was recognized as a chose in action and in the nature of things intangible. Yet it was held the subject of attachment as a demand against the person, within the spirit of the language of the code."

<sup>22</sup> IOWA CODE ANN. (Whitney 1924) sec. 12143; *Flake v. Day*, 22 Ala. 132 (1853); *Simpson v. Jersey City Con. Co.*, 165 N.Y. 193, 58 N.E. 896 (1900); *Frederick v. Chicago Bearing Metal Co.*, N.Y.L.J. July 17, 1927, at 1680; see 27 COL. L. REV. 880 (1927).

<sup>23</sup> *Woodward v. Woodward*, 9 N.J.L. 115, cited note 19, *supra*.

cation to "rights and credits" and "indebted".<sup>24</sup> In Ohio, the law has developed to such an extent that today " \* \* \* any interest is the subject of garnishee process".<sup>25</sup> Early New Jersey cases indicate a definite tendency to apply the statute to intangible, but uncontingent rights, in permitting garnishment proceedings against the proceeds of execution in a constable's hands, as well as against the surplus in the hands of a sheriff after foreclosure.<sup>26</sup> Likewise a debt due a defendant on negotiable paper before maturity,<sup>27</sup> and the equity of redemption in chattels that have been mortgaged,<sup>28</sup> have been held attachable. The refusal of our courts to permit garnishment to lie against the liability of an officer for negligence<sup>29</sup> indicates a like hesitancy to extend the scope of process to contingent liability in New Jersey. It is to be hoped that the early language of Chief Justice Halsted, "It (the statute) is therefore to receive a liberal not a rigorous regard,"<sup>30</sup> will serve to develop our law to the final achievement of the advantageous application of the garnishment statute to contingent interests.

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DOCTRINE OF RES ADJUDICATA AS TO JURISDICTION. — Whether or not the exercise of jurisdiction *in rem* binds all the world depends on the nature of the proceedings. In a recent New Jersey case<sup>1</sup> involving the appointment of an administrator to an estate, the question of the decedent's domicile was raised. Since the same question had been raised and litigated by the same parties in a previous proceeding in New York, the New Jersey court held this adjudication to be *res adjudicata* and binding on the parties or those in privity with them. In this connection, the court said that while an adjudication in a proceeding *in rem* is not valid to affect the personal rights of a person not a party to such proceeding and to whom no notice had been given thereof, nor opportunity to be heard therein, still, where there has been a final adjudication of an issue of fact, by a foreign court having jurisdiction to determine such issue, in a proceeding wherein the issue was contested between adverse parties, then this adjudication is conclusive of such

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<sup>24</sup> 1 N. J. COMP. STAT. (1911) 132; OHIO GEN. CODE (P. 1921) secs. 10253, 10266; see note 59 L.R.A. 391 at 393.

<sup>25</sup> Sandusky Cement Co. v. A. R. Hamilton & Co., 273 Fed. 596 (1921).

<sup>26</sup> Davis v. Mahoney, 38 N.J.L. 104 (Sup. Ct. 1875); Crane v. Freese, 16 N.J.L. 305 (Sup. Ct. 1838); Hill v. Beach, 12 N.J.Eq. 32 (Ch. 1858); Conover v. Ruckman, 33 N.J.Eq. 303 (E. & A. 1880).

<sup>27</sup> Briant v. Reed, 14 N.J.Eq. 272 (Ch. 1862), cited note 12, *supra*.

<sup>28</sup> Dock Co. v. Mallery, 12 N.J.Eq. 94 (Ch. 1858).

<sup>29</sup> Lomerson v. Huffman, 25 N.J.L. 625 (E. & A. 1856), cited note 4, *supra*.

<sup>30</sup> Woodward v. Woodward, 9 N.J.L. 115 (Sup. Ct. 1827), cited notes 19, 23, *supra*.

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<sup>1</sup> *In re* Estate of Mae P. Fischer, deceased, 118 N.J.Eq. 599 (Prerog. 1935).

issue where that issue is sought to be raised again between the same parties or those identified in interest with them.<sup>2</sup>

And this principle controls even where the issue of fact so adjudicated by the foreign court was one upon which depended the jurisdiction of the foreign court to make any other or further determination in the proceeding, and even though the adjudication was solely in the determination of the issue as to the existence of such jurisdiction.<sup>3</sup>

A judgment strictly *in rem*, as distinguished from a judgment *in personam*, is an adjudication pronounced upon the status of some particular thing or subject matter being the subject of a controversy, by a competent tribunal and having the effect of binding all persons having interests, whether joined as parties to the proceeding or not.<sup>4</sup>

Judgments dealing with the status, ownership or liability of a particular property but which are intended to operate on these questions only as between particular persons to the proceeding, and not to ascertain or to cut off the rights of all possible claimants are so far *in rem* that jurisdiction may be acquired by control or seizure of the court over the *res*, together with reasonable constructive notice to parties.<sup>5</sup>

Judgments, orders or decrees which have been held to be *quasi in rem* in that jurisdiction may be acquired by seizure of the property involved, if any, and constructive notice, and in that they are binding, as to the *res*, on the parties to the proceeding and not on third persons include: Judgments in attachment<sup>6</sup> and garnishment proceeding, a decree in a suit to reform a life insurance policy<sup>7</sup> or a decree in an action to establish a trust in shares of stock<sup>8</sup> judgments or decrees in proceedings for the foreclosure of a mortgage or a mechanic's or other lien<sup>9</sup> or in certain kinds of proceedings directly affecting real estate (subject, of

<sup>2</sup> The court felt it unnecessary to decide the question of whether or not the full faith and credit clause of the federal constitution was determinative of the issue, since well-established principles of comity and the doctrine of *res adjudicata* and estoppel by record lead to the same result. See *In re Barney*, 94 N.J.Eq. 392, 120 Atl. 513 (Prerog. 1922); *John Simmons Co. v. Sloan*, 104 N.J.L. 612, 142 Atl. 15 (E. & A. 1928); *Cherry v. Chicago Life Insurance Co.*, 244 U.S. 25 (1916); *Baldwin v. Iowa State, etc., Assn.*, 283 U.S. 522 (1930).

<sup>3</sup> *In re Estate of Mae P. Fischer, deceased, supra*; *Cherry v. Chicago Life Insurance Co., supra*; *Perth Amboy Dry Dock Co. v. Crawford*, 103 N.J.L. 440, 135 Atl. 897 (E. & A. 1927).

<sup>4</sup> 34 CORPUS JURIS. 1171 (Sec. 1660) Jurisdiction to render a judgment *in rem* rests upon the seizure or attachment of the property affected or the court's dominion or authority over the status in controversy.

<sup>5</sup> *Amparo Mining Co. v. Fidelity Trust Co.*, 74 N.J.Eq. 197, 71 Atl. 605, *aff'd* 75 N.J.Eq. 555, 73 Atl. 249 (E. & A. 1909). Unlike judgments strictly *in rem*, such judgments are binding only upon the parties joined in the action and thus notified, and have no effect upon the rights or liabilities of strangers.

<sup>6</sup> Such a judgment operates only upon the property attached and imposes no sort of personal liability upon the defendant, or upon any other property of his, where he was summoned by publication. See *Ladwin v. Woodbridge, etc., Engineering Co.*, 59 N.J.L. 317, 36 Atl. 683 (Sup. Ct. 1896).

<sup>7</sup> *Perry v. Young*, 133 Tenn. 522, 182 S.W. 577 (1916).

<sup>8</sup> *Amparo Mining Co. v. Fidelity Trust Co., supra*.

<sup>9</sup> *White v. Williams*, 3 N.J.Eq. 376 (Ch. 1836).

course, to statutory provisions).<sup>10</sup>

In another recent New Jersey case, it was held that in an attachment proceeding against a non-resident who does not appear, the judgment, though in form, personal against the defendant, has no effect beyond the property attached and no suit can be maintained on such judgment, nor can this judgment be used as evidence in any proceeding not affecting the attached property.<sup>11</sup>

It is well settled that the clause of the federal constitution which requires that full faith and credit be given in each state to the records and judicial proceedings of every other state applies to the records and proceedings of courts only so far as they have jurisdiction,<sup>12</sup> and the courts of one state are not required to regard as conclusive any judgment of the courts of another state which had no jurisdiction over the subject matter or the parties.<sup>13</sup> It follows therefore that the jurisdiction of a court rendering a judgment or decree is always open to inquiry under proper averments, where its conclusiveness is questioned in a court of another state,<sup>14</sup> and when a defendant is sued on a judgment obtained against him in another state, he may show that the court of such other state did not have jurisdiction to render the judgment against him.<sup>15</sup>

Thus, a judgment rendered by a foreign court in a proceeding *in rem* is binding and conclusive on all parties in interest and not re-examinable on the merits provided the court had jurisdiction and there was no fraud in procuring the judgment or sentence.

But in order that a foreign judgment *in rem* may be binding and conclusive, it is necessary that it shall have been rendered by a duly organized and lawfully constituted court<sup>16</sup> having jurisdiction of the cause and of the *res* and proceeding in a regular manner upon personal or published notice to parties in interest and an opportunity given them to appear and defend their rights.<sup>17</sup> Still a foreign judgment *in rem*

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<sup>10</sup> Of this character are judgments or decrees in (a) proceedings or decrees, (b) trespass to try title, (c) partition, (d) proceedings to redeem land from a mortgage, (e) suit to cancel a deed or mortgage, (f) suit to establish a lost muniment of title.

<sup>11</sup> *Skratt v. Carnera*, 12 N.J.Misc. 826, 175 Atl. 366 (C. C. 1935).

<sup>12</sup> *Pennoyer v. Neff*, 95 U.S. 714 (1877).

<sup>13</sup> *Fairchild v. Fairchild*, 53 N.J.Eq. 678, 34 Atl. 10 (E. & A. 1895).

<sup>14</sup> *Pennoyer v. Neff*, *supra*; *Fairchild v. Fairchild*, *supra*.

<sup>15</sup> See R.C.L. 929, Sec. 408.

<sup>16</sup> A foreign court acting under the authority of those in whom power of the country is for the time being vested must be deemed to have the jurisdiction of a legitimate court; it is sufficient that it is a court *de facto*, *Bank of North America v. McCall*, 4 Binn. (Pa.) 371.

<sup>17</sup> In *Thompson v. Thompson*, 89 N.J.Eq. 70, 103 Atl. 856 (Ch. 1918), the court declared that the jurisdiction of a court of a sister state (in this case New York) in a divorce proceeding might be inquired into and determined by the court in the state in which the judgment is sought to be enforced, notwithstanding the fact that the foreign court had adjudicated the question of its jurisdiction and that that adjudication by the foreign court was of no evidential force whatever in determining whether or not it had jurisdiction. These hold-

is not impeachable on the ground of error.<sup>18</sup>

So, where the court in granting original probate was wholly without jurisdiction because the testator had no domicile in that state, the proceedings may be disregarded by the courts of other states.<sup>19</sup> But a finding in a proceeding for the appointment of an administrator that the decedent was a non-resident is not *res adjudicata* in a subsequent action by distributee against the administrator's surety in which his status as officer was not attacked.<sup>20</sup>

While the judgment of a sister state is presumed to be valid and if no defect of jurisdiction appears on the record it will be taken as valid in the absence of evidence to the contrary, still, evidence will always be admitted to disprove a jurisdictional fact, i.e., a fact upon which the judgment of the foreign court was based. Such a fact commonly put in issue is that of domicile.<sup>21</sup>

But if the jurisdictional fact was litigated by the defendant in the foreign action and found against the defendant, the question of jurisdiction becomes *res adjudicata* and cannot be litigated even if in the foreign court it was put in issue by a special appearance to deny jurisdiction and was litigated upon that issue.<sup>22</sup>

This principle applies even where the question of jurisdiction was litigated in a third state. Thus, if a judgment obtained in one state is sued upon in a second state and defendant litigates and loses on the

ings are undoubtedly due to the fact that the defendant in the New York suit in which the decree of divorce was granted was a non-resident of New York, and was not served in that state and the suit went undefended. If the question of jurisdiction had been litigated by the defendant in the New York suit, it would undoubtedly have been *res adjudicata* in New Jersey.

<sup>18</sup> See 34 CORPUS JURIS, 1165, Sec. 1650.

<sup>19</sup> In this connection it was held that while questions of mental incapacity and undue influence do not go directly to the question of jurisdiction of a foreign court to admit a will to probate, the testator's soundness of mind may be considered on the question of his change of domicile as affecting jurisdiction. *Sullivan v. Kenney*, 148 Iowa 361, 126 N.W. 349 (1910).

<sup>20</sup> *State ex rel. Gott v. Fidelity, etc.*, 317 Mo. 1078, 298 S.W. 83 (1927).

<sup>21</sup> *In re Dorrance*, 115 N.J.Eq. 268, 170 Atl. 601 (Prerog. 1934). Here it was held that the determination of the Pennsylvania court was not binding upon the State of New Jersey in a subsequent proceeding brought by it in New Jersey courts because in the Pennsylvania proceeding the State of New Jersey had not been a party. (Citing *Baker v. Baker, Eccles & Co.*, 242 U.S. 394 [1916]).

<sup>22</sup> *John Simmons Co. v. Sloan*, 104 N.J.L. 612, 142 Atl. 15 (E. & A. 1928). In this case, the court (with three justices dissenting) said:

"The contention is that the defendant was entitled to show that he was not served and did not submit himself to the jurisdiction of the City Court of New York and that court nowise obtained jurisdiction over him, and that, therefore the judgment upon which the present suit is based, was, as to him, a nullity.

"Ordinarily such a right exists and is specifically accorded to the defendant under Sec. 16 of our Evidence Act (2 COMP. STAT. 2225), but here the defendant had submitted those questions not only to the City Court of New York upon a special appearance for that purpose, but upon an adjudication in that court

question of jurisdiction of the first state, then in a suit in a third state upon the judgment obtained in the second state, the question of the jurisdiction of the first state is *res adjudicata*.<sup>23</sup>

While a court of equity may have the power to compel the parties before it to convey lands situated in another state, it does not follow that it may make its own decree to operate as such conveyance.<sup>24</sup> Indeed, it is well settled that the decree of such court cannot operate to transfer title to lands situate in a foreign jurisdiction.<sup>25</sup> Nor can the full faith and credit clause of the federal constitution be invoked to enforce such a decree since that clause does not extend the jurisdiction of the courts of one state to property situated in another.<sup>26</sup> But this does not mean that a decree directing a conveyance is without its effect per se. It may be pleaded as a basis or cause of action or defense in the courts of the state where the land is situated, and is entitled in such a court to the force and effect of record evidence of the equities therein determined unless it be impeached for fraud.<sup>27</sup>

Thus it appears that a court, even with the existence of well-recognized principles of *res adjudicata*, cannot "lift itself by its own bootstraps" and confer upon itself a jurisdiction which, as a matter of law, it does not possess. So that where the question of the court's jurisdiction is litigated in a proceeding, and the court finds that it has jurisdiction to entertain the action, its decree or judgment *in rem* in that proceeding will be ineffectual if the court attempts to act upon a *res* which is outside its territorial jurisdiction. The fact that interested parties have submitted to the jurisdiction of the court and the issues decided are *res adjudicata* cannot extend the power of the court to include a subject-matter outside its inherent jurisdiction.

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adverse to him, had submitted it to the Appellate Division of the Supreme Court of New York with the same result.

"He had, therefore, litigated unsuccessfully these very questions in a court of competent jurisdiction and we think the judgment of such court is conclusive and *res adjudicata* of such questions in the courts of this state." (Citing Chicago Life Insurance Co. v. Cherry, *supra*.)

<sup>23</sup> Degge v. Baxter, 69 Colo. 122, 169 Pac. 580 (1918).

<sup>24</sup> Burnley v. Stevenson, 24 Ohio 474 (1873).

<sup>25</sup> Carpenter v. Strange, 141 U.S. 87, 105 (1891); Dull v. Blackman, 169 U.S. 243 (1898); Lindley v. O'Reilly, 50 N.J.L. 636, 640 (1888).

<sup>26</sup> Fall v. Eastin, 215 U.S. 1 (1909). In this case, a Washington court, in an action where it had jurisdiction of the parties and the subject matter, determined the equities in certain property situated in Nebraska. The successful litigant in the Washington court sought to enforce the judgment in Nebraska against persons who succeeded to the property with full knowledge of the Washington judgment and without consideration. The Nebraska court refused to directly enforce the Washington judgment and the United States Supreme Court sustained its action as not being a denial of full faith and credit. See Bullock v. Bullock, 52 N.J.Eq. 561 (1894); Tiedemann v. Tiedemann, 172 App. Div. 819 (1916), *aff'd*. 225 N.Y. 709 (1919).

<sup>27</sup> Redwood Investment Co. v. Exley, 64 Cal. App. 455 (1923). In this case the court paraphrases a statement in 2 BLACK ON JUDGMENT (2nd ed.), Sec. 872 (pp. 1302-1303).