

Upon the whole, then, I conclude, that even conceding Mr. Neff, as an individual, from his general knowledge of the affairs of the mortgagor, had known of, or had reason to believe in, the existence of the mortgage to the General Insurance Company, yet as that information was not communicated to him officially, for the purpose of being communicated to the Board, and as, looking at the value at which the property was estimated, there is no reason to believe the Board knew of such mortgage, there is no foundation, either in principle or upon authority, so to affect them with notice, as to subject them to the imputation and consequences of fraud, and that, consequently, the mortgage to the United States Insurance Company being the first registered, must be preferred.

I entirely concur with the Judges' who have doubted the propriety of breaking in upon the policy of the Registry Acts, and shall refrain from doing so to a greater extent than required by the authorities. The cases go upon the ground of fraud in taking a deed or mortgage, and having it recorded, when the party knows of the existence of a prior deed or mortgage which has not been recorded; but as fraud is not to be imputed upon slight grounds, the party who charges it against his adversary is required upon every principle to make it out by clear and satisfactory proofs.

Some stress was laid in the argument upon a report, which Mr. Freeman says was made by a committee of the Board of Directors of the United States Insurance Company, when he applied for the loan. But he expressly says, he does not know whether Mr. Neff communicated to that committee his knowledge of the lien of the General Insurance Company on the property in controversy. He states, however, that it was down on the list at a valuation of \$16,000, but what valuation the committee put upon this particular piece of property, for the purpose of the mortgage, he does not know. They took the whole property, he says, at a valuation of \$137,000, free of ground-rents, as a security for two mortgages, a previous transaction of \$29,000 and that for \$80,000, now in controversy.