

THE SCOOP ON SUBROGATION

[Definitions *taken* and emphasized from uslegal.com/definitions]

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SUBROGEE: The person or entity that assumes the legal right to attempt to collect a claim [Charges] of another [SUBROGOR's/Prosecutor/ Executor De Son Tort] in return for paying [SETTLING] the other's [SUBROGOR's] expenses or debts [SEE BOND THE PROSECUTOR HAS CREATED IN SUBROGEE's name] which the other claims against a third party [the UNITED STATES who holds the obligation to discharge PUBLIC AND PRIVATE DEBT via HJR 192, PL 73-10].

SUBROGOR: The person or entity on whose behalf the subrogee [Executor/Creditor] acts in a subrogation. A subrogor transfers his/her legal right or claim for damages caused to him/her [or its representative agency] by collecting the compensation from the subrogee [Executor/Creditor] where by transferring the right to claim damages to the subrogee [Transfer of Power of Attorney or Acknowledgment of Executorship]. *In subrogation a subrogor loses the claim to seek compensation.*

In the simplest terms:

Subrogation is a natural act where the administrator of an organization (a flesh and blood man or an administrator of a fiction) settles all charges against the organization he has assumed charge of, whether assumed by nature or law, by passing the charges to the OBLIGOR (the person whom has promised to discharge the charges).

Even more simplified:

Through the process of Conventional Subrogation you as the Executor of the Organization become holder and administrator of the charging instrument (You would be called the SUBROGEE). You as Executor and Administrator can then impose your Will. This will allow the SUBROGEE [IN THEORY] to:

1. Use the Charging instrument itself as commercial paper to discharge the charges through the United States who is the GUARANTOR.
2. Forgive the Charging instrument rendering the charges void.

3. Settle the Charges using a negotiable instrument as the Executor and cash the charging instrument for the benefit of the ESTATE.
4. Use "Court enforcement" to seal your ESTATE records effectively conveying the records to Private Executorship and not under Probate.

The Scoop on Subrogation

“White Paper”

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“Subrogation is an ancient equitable right that permits a surety to stand in the shoes of any bond beneficiary that the surety pays and assert all of the the beneficiary’s rights against the debtor (principal obligor) to assist the surety in recovering its loss from the debtor. Thus, if the bond beneficiary holds collateral and the surety pays the beneficiary’s claim, the surety is entitled to be subrogated to its collateral position.” [Section 509 of the Bankruptcy Code guaranties the surety’s subrogation right.]

THE MOST IMPORTANT QUESTIONS A SURETY CAN ASK ABOUT BANKRUPTCY

by Deborah S. Griffin & Doreen Spadorcia

“The nature of subrogation to the rights of the mortgagee: The primary meaning of “subrogation” is the act of putting one person in the place of another, or the substitution of another person in the place of the creditor, to whose rights he succeeds in relation to the debt. Formerly the right of subrogation was limited to transactions between principals and sureties, as, when a surety paid the debt of his principal to the creditor, the surety was entitled to have the full benefit of all mortgages or collateral securities for the debt, both of a legal and equitable nature. It has always been held that a party who, on his own motion, discharges the debt of another, without any agreement with either the debtor or creditor in relation to how he shall be reimbursed, is regarded as a mere volunteer, or, as some of the cases express it, an intermeddler, and is not entitled to the benefit of the mortgage or collateral security held by the creditor.”

REPORTS OF CASES IN LAW AND EQUITY DETERMINED IN THE SUPREME COURT VOLUME 89

by: Iowa Supreme Court

“The surety upon payment of the debt might have recourse against his principal, either as standing in the place of the creditor and exercising his right, or on his own account. The former of these powers (which was often very important in retaining a priority of hypothecation,) could only be preserved by requiring a subrogation, or assignment of action at the time of payment. The second was a common action, analogous to our action for money paid by the plaintiff for the use of the defendant; the circumstances which are requisite to maintain this action are fully stated. In some cases the surety had a right to compel payment by the principal before he was himself proceeded against.” [Excerpt 1]

“The debtor *in solido*, who pays the whole, may avoid absolutely extinguishing the debt, except as to the part for which he is liable of his own account, without having any remedy over. *vi anti* No. 264. He has a right to the cession of the actions of the creditor against the other debtors; and by this cession of actions he is considered in some degree as purchasing the right of the creditor. *Creditor non in soluium accepit, sed quodam modo nomen creditor is venditit/ l. 36. Ff. De Fidej.*

The creditor cannot refuse this subrogation or cession of actions, to the debtor who pays the whole; but if he has incapacitated himself from ceding them against any one, he has so far given up his right of solidity.” [Excerpt 2]

“When the debtor. By the *act* [or written instrument] of payment, requires a subrogation, though the creditor expressly refuses it, the debtor, according to our usage is, nevertheless, entitled to enjoy it without being under the necessity of instituting any process to compel the creditor to grant it: the law in this case supplies what the creditor ought to have done and gives the debtor who requires it, a subrogation to all the rights and actions of the creditor. Suppose the debtor had paid without requiring subrogation?

He could not afterwards be subrogated to the actions of the creditor; for the pure and simple payment which he had made, having entirely extinguished the credit and all the rights and actions resulting from it, that credit cannot afterwards be ceded which does not any longer exist. *Si post soluium sine ullo pacto, omne quod ex casu lutez debeitur, actiones post aliquot intervallum cesse sint, nihil eu ceasione actum, cum nulla actio superfuit. l 76. ff. De Solut.*” [Excerpt 3]

“After the surety has paid, if he has procured a subrogation to the rights and actions of the creditor, he may exercise them against the debtor, as the creditor himself might have done: if he has neglected to acquire this subrogation, he has still in his own right an action against the principal debtor, to reimburse him what he has paid.

This is the *actio mandati contraria*, if the engagement was made with the knowledge and approbation of the principal debtor: for the consent includes a tacit contract of mandate, according to the rule of law, *semper qui non prohibet pro se intervenire mandare creditur, L. 60. Ff. De. R.J.* If the surety is obliged for the principal debtor without his knowledge, he cannot have an action *mandati* against him, but an action *contraria negotiorum gestorum*, which has the same effect.” [Excerpt 4]

“Where one hypothecatory creditor, to strengthen his right of hypothecation, pays to another what is due to him by the common debtor, such creditor has no need of acquiring a subrogation; he is subrogated *pleno jure* to the credit he has discharged, and to the hypothecations and rights which depend on it, *L. 4. (a) Cod. de his qui in prior*: it is evident, that he only paid for the sake of acquiring the subrogation. With regard to a third person in possession of an estate, who, to avoid a process, has paid the debt for which his estate was hypothecated; if, upon paying, he fails to require a subrogation to the rights of the creditor, he will not indeed be subrogated to all the rights of the creditor; but he may at least, according to our usages, exercise them upon this estate against all the other creditors, posterior to him whom he has paid; for, in liberating the estate from the hypothecation, *meliozem fecit in eo fundo ceterorum creditorum pignoris causam*, and he may therefore *per exceptionem doli* retain against them what he has paid in discharge of the hypothecation; good faith does not allow them to profit at his expense; *dalo fuciuni si velint ejus domino locuplciari*: this case is similar to that in which the possessor of an estate subject to hypothecation, has laid out money in improvements.” [Excerpt 5]

“Payment by any person to a creditor, with subrogation to his rights and actions, is considered not so much a payment as a sale, which the creditor is supposed to make of his credit, and all of the rights depending upon it, to the person from whom he receives the money; *nan in soluium accepit, sed quodam modo nomen debitoris vendidit, d. L*; therefore, the credit thus discharged, is deemed still to subsist with all the rights which depend upon it, in favour of the person who is subrogated; he may exercise them as the creditor to whom he is regarded as procurator *in rem suam* might have done.” [Excerpt 6]

A TREATISE ON THE LAW OF OBLIGATIONS, OR CONTRACTS, VOLUME I
by Robert Joseph Pothier

“SUBROGATION, or SURROGATION, in the civil law, the act of substituting a person in the place, and installing him to the rights, of another. In its general sense, subrogation implies a succession of any kind, whether of a person to a person or of a person to a thing. There are two kinds of subrogation: the one conventional, the other legal. Conventional subrogation is a contract whereby a creditor transfers his debt, with all appurtenances thereof, by the profit of a third person. Legal subrogation is that which the law makes in favour of a person who discharges an antecedent creditor: to which case there is a legal transfer of all rights of the ancient creditor to the person of the new one.”

PANTOLOGIA: A NEW CYCLOPAEDIA, COMPREHENDING A COMPLETE SERIES OF ESSAYS

by John Mason Good & Olinthus Gregory & Newton Bosworth

“The doctrine of subrogation has been applied freely in West Virginia, and to its full extent, upon the general principles of equity without the aid of any statute: and having taken this correct view in the beginning, there has so far (1894) never been any need of a statute to correct any misstep in improper restraint of its application upon the supposition that a debt once paid must thereafter be treated as nonexistent under all circumstances, and to all intents, and for all purposes. *Hawker v. Moore* 40 W. Va. 49, 20 S. E. 848.” [Excerpt 1]

“The extent to which subrogation may be decreed, said the supreme court of Wisconsin, has been a matter of some conflict between the courts of this country and of England. It was formerly held in England, following the Roman law, that a surety subrogated to the rights of a creditor had precisely the same rights the creditor had., and stood in his place: but in later times the rule has been restricted in that country, and the right of subrogation extended only to securities other than the obligation or instrument which is the evidence of the debt. Thus, if the debt be evidenced by a bond, payment by one of the two sureties of the whole debt cancels the bond, or, if it be upon a judgment, such payment cancels the judgment, and the surety so paying becomes a mere general creditor of his cosurety, to whose demand none of the peculiar incidents of a debt upon specialty or judgment adheres. The courts of this country, however, have very generally adhered to the ancient rule, and hold that, although the lien of obligation be extinguished at law by the payment of the debt, yet, for the benefit of the surety, it continues in equity in full force. This is believed to be the more just and reasonable rule. The cases which illustrate the above propositions are very numerous in both countries.” *Mason v. Plerron*. 63 Wis. 239.023 N.W. [Excerpt 2]

LAWYERS' REPORTS ANNOTATED, VOLUMES 67-68

DOCTRINE OF SUBROGATION

As it occurs in the Administration of ones Property.

In a Classic Waiver of Subrogation, subrogation would be lost in the following manner:

Naturally the Subrogee is ... BUT... by contractual application becomes a DEBTOR when...

At Birth:

The Mother and Father

Whom by the laws of Agency are the owners and holders of the property which contains their likeness. This entitles the Mother and Father to function as administrators of the Estate or HOUSE.

The Mother and Father

Whom registers their property with the state fails to properly "claim" their property at law and becomes guardian at law under probate law instead of Administrator of the registered Organization. Thereby surrendering their natural capacity as Administrators over the Property. [SEE UCC 9 Definitions]

In an example of re-establishing the Natural position of Subrogee:

The Legal Subrogee is ... AND... by contractual application becomes the Creditor when...

In Court:

The Prosecutor

Whom by administrative rules of the Corporate Union you have acted subservient to, re-presents the STATE in a COMMERCIAL TRANSACTION against the organization you failed to "claim" as yours as prescribed at law.

You

Fail to invoke your absolute right of subrogation by simply invoking it and prosecuting the settlement as the True Creditor.

Now the Conventional Subrogee is... AND...

By subrogation ...

You

Whom by the ancient method of subrogation have overcome the presumptions of the Court that your Organization is an ABSCONDING DEBTOR allowed to remain such by the lack of Organizational Structure. [*Essentially, the Organization is seen as a minor without the capacity to self-govern until you as principal/principal agent show your ability to operate at law.*]

You

Accept and acknowledge that you are willing and able to administrate the Organization at law. Then demonstrate the capacity by prosecuting the settlement by discharging the charges at law.