

## **Pilcher v Rawlins (1872) 7 Ch App 259**

<http://lawcasesummaries.com/knowledge-base/pilcher-v-rawlins-1872-7-ch-app-259/>

### **Facts**

- Pilcher is a trustee
- He is approached by Rawlins, who wants to borrow money
- Pilcher agrees, and executes a common law mortgage (transaction thus far has been OK)
- Pilcher and Rawlins then decide to defraud people, and they borrow money from S&L, fraudulently omitting the document showing the earlier mortgage – therefore they could only give away what they had (which was very little, really)
- Pilcher reconveys the land to Rawlins without receiving payment for the mortgage, which is in breach of his fiduciary duty to the object of the trust
- Rawlins executes the mortgage to S&L, meaning they are the legal owners

### **Issue**

- Who has better equitable title?

### **Facts**

- S&L were bona fide purchasers for value without notice; they had no reason to suspect the transaction wasn't OK
- Constructive notice does not extend to deeds removed from chain

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Law case summary from [www.lawcasesummaries.com](http://www.lawcasesummaries.com)