ACCOUNT B.—*Continued.*

1848.		Dolls.	Cts.	Dolls.	Cts.
Mch. 11th.	*Bro't forw'd,* - - - -			6000	00
	1845, May 8th, paid into bank by William Schley, at the maturity of the first note, - - - - -			2000	00
				4000	00
	Int. on $2000 from 9th July 1845, to 21st July, 12 ds., -	4	00		
	Discount on a note for $1500.00, for 93 ds., to 23rd October 1845, - - - - - - - -	23	25		
	Int. on $2000.00—from 9th Sept. 1845, to 23rd Oct, 1845, 1 m., 14 ds., - - - - - - -	14	67	41	92
				4041	92
	1845, July 9th, paid by Wm. Schley to Israel Griffith, -	4	00		
	23rd, p'd by said Schley to Griffith, - -	523	25		
	Oct. 23rd, p'd by same to same, - - - -	8	25	535	50
				3506	42
	Int. on $3500.00, from 23rd Oct. 1845 to 29th Oct., 6 ds. -			3	50
				3509	92
	Then p'd by Schley to Griffith, - - - - -			1000	00
				2509	92
	Int. from 29th Oct. 1845 to 13th Nov., 14 ds., - -			5	86
				2515	78
	Then paid by Schley to Griffith, - - -			15	50
				2500	28
	Int. from 13th Nov. 1845 to 25th Nov., 12 ds., - -			5	00
				2505	28
	Then paid by Schley to Griffith, - - -			400	00
				2105	28
	Int. from 25th Nov. 1845 to 26th Nov., 1 d., - -				35
				2105	63
	Then paid by Schley to Griffith, - - -			8	50
				2097	13
	Int. from 26th Nov. 1845, to 28th Jan. 1846, 2 m., 2 ds. -			21	67
				2118	80
	1845, Dec. 27th, p'd by Schley, - - -	8	25		
	1846, Jan. 28th, p'd, - - - - -	692	30	700	55
				1418	25
	Int. from 26th Jan. 1846, to 26th Sept., 7 m., 18 ds., -			53	89
				1472	14
	1846, June 4th, p'd by Schley, - - - -	8	50		
	" Sept 16th, credit so much of the am't, received from the Baltimore Life Insurance Company, -	1463	64	1472	14

ACCOUNT C.

Dr. *WM. SCHLEY, defendant, in acc't with ISRAEL GRIFFITH, his co-defendant.* Cr.

1848.		Dolls.	Cts.	Dolls.	Cts.
Mch. 11th.	To amount of two notes in favor of, and endorsed by Israel Griffith, each for $2000.00, bearing date 21st April 1845, and payable, the one at six months, and the other at eight months after date, as per complainant's exhibit A, No. 1. - - - - - - -	4000	00		
	To amount of William Schley;s note in favor of Israel Griffith, dated 4th Sept. 1845, and payable two months after date, as per do., - - - - - - -	2000	00		
	To amount of a draft upon Frederick A. Schley in favor of Israel Griffith, dated 4th September 1845, and payable four months after date, as per do., - - - -	2000	00	8000	00

Carried Over.

ACCOUNT C.—*Continued.*

1848.		Dolls.	Cts.	Dolls.	Cts.
M'ch 11th.	*Bro't forw'd.* - - - -				
	Int. on $2000.00, from 24th Oct. 1845, 2 y., 4 m., 17 ds., -	285	67		
	Int. on $2000.00, from 7th Nov. 1845, 2 y., 4 m., 4 ds., -	281	33		
	Int. on $2000.00, from 24th Dec. 1845, 2 y. 2 m. 17 ds. -	265	67		
	Int. on $2000.00, from 7th Jan. 1846, 2 y., 2 m., 4 ds., -	261	33	1094	00
	Add costs of protest and postage, - - - -			4	10
				9098	10
	1846, Sept. 16th, credit amount received from the Baltimore Life Insurance Company, - - - - -	1574	00		
	Less am't credited in account B, - - - -	1463	64	110	36
	Am't due, with in't on $8000.00, - - - -			8987	74

Griffith did apply them in that manner, as he had a right to do in the absence of any direction from his co-defendant, who had the first right to make the application. Indeed the whole of the case shows that such a course was beneficial to his co-defendant, which renders it highly probable, that he did direct or consent to it as the necessary means of securing the continuance of the accommodation he was receiving.

The auditor has not charged in either of the accompanying accounts the premium paid by the defendant Griffith, on the second of September, eighteen hundred and forty-seven, for the insurance of the other defendant's life, because it does not appear to be a part of the mortgage claim.

All which is respectfully submitted,

CORNELIUS McLEAN, Aud'r.

And afterwards, to wit, on the 4th day of May 1848, the complainants, by their solicitor aforesaid, filed in the said cause their exceptions in the words following, to wit:

R. W. GILL, ET AL., *vs.* SCHLEY AND GRIFFITH. — In Chancery. Exceptions of complainant to proof.

The complainant excepts to the admissibility of the *of the* 7th and 8th answers of W. K. Merritt, under the commission in this cause, and also to his 9th answer. To so much of his 21st answer as relates to the application of the money therein mentioned, and he excepts to the admissibility of the 22d answer, and also to exhibit No. 17, on same ground.

The complainant also excepts to the 2nd answer of Jas. H. McCulloh, president of the Bank of Baltimore, as inadmissible proof; also to the 2nd answer of C. C. Jamieson, cashier of said bank.

The complainant excepts to the proof of James Hogg, particularly his 3d answer, and also to the acceptance therein referred to, and both as inadmissible upon any issue in this cause, and also to the whole of his second examination as inadmissible.

The complainant also excepts to the proof of T. S. Alexander, as inadmissible.

The complainant also excepts to the admissibility of Gerard Stonebraker's draft for $4487.44, accepted by William Schley, due 3–6 March 1845.

The complainant also excepts to the admissibility of the defendant's exhibit JG, No. 11, as evidence in this cause.

R. W. GILL, Att'y for Comp't.

And at the same time came the complainants aforesaid, by their solicitor aforesaid, and filed in the said cause their exceptions, in the words following, to wit:

R. W. GILL, TRUSTEE, ET AL., *vs.* I. GRIFFITH AND W. SCHLEY. — In Chancery.—March Term, 1848.

The complainants file herewith statements H, No-. 1, 2, 3, 4, and 5, which relate to the principal sums claimed by the defendants, and insist that all allowances in the auditor's accounts at variance with those statements are erroneous.

2nd. That all the allowances in the auditor's report and statements, are incorrect as respects interest.

3rd. That the auditor's accounts and reports are erroneous, as allowing any part of the sum of $6000, comprising three notes, dated 6th March 1845. That said notes were not discounted by the said Griffith, nor were they procured to be discounted for the use of the said Schley at the Bank of Baltimore.

4th. That as to account A, the item of $2300.67, is erroneous, the note in question there, not coming within the terms of the consideration recited in any of the mortgages; that the item of $1653, is erroneous, no note of W. Schley, endorsed by Lewis Kemp, of the 4th June 1846, being mentioned in said deeds. That the sum of $1408.18, is erroneous, the note mentioned in that item, in the audit and report, not being included in any of the mortgages.

5th. That accounts B and C being made for the purpose of illustration, per directions filed on the 9th Dec'r 1847, are not binding upon the complainants.

6th. That the accounts are not sufficient to show the true state of the cause. The account A blends or unites all the transactions in one, and as it is conceded in this cause, that the complainants have a lien on the equity of redemption of W. Schley in the Allegany property, an account should be stated to show what balance, if any, is due upon that instrument. In that account all the payments made by W. Schley ought to be credited, and especially so, as all the items in the mortgage of 4th Sep. 1845, not in the Allegany mortgage, are still claimed to be due by Griffith. The three items, of $1500, $2000, and $2000, on the mortgage of personals, cannot by any arrangement of the accounts be tacked to the