James S Merrell the obligator to become from them the cash payment of three dollars and the deferred payments at the periods they respectively became due with interest on each instalment after such instalments became due and payable. It also stands about they are advised to be the interpretation of the said Contract. Your Orator will assume that they executed the Bonds or Notes as the Contract required. Your Honor will then perceive that the above purchase money being as is hereafter stated $1760 of the cash payment of $3000 to be deducted there remains to be paid for the deferred payments the sum of $1760 payable in six equal annual instalments of $ 293.66 each and that your Orator Sixty Notes would have been payable according to the Contract on the 1st January 1847 without interest and which sixty notes would have been liable to pay and the said Jas S Merrell Bound to become at that day and further said seven Notes would have been payable on the 1st of January 1848 with interest on the amount of the 6 Notes from the 1st of January 1847 which Notes with interest on your Orator would have been liable to pay and which the said Jas S Merrell would have been bound to become at that day and so in regard to the other Notes your Orator would have been liable to pay and the said James S Merrell Bound to become the amount of each Note with interest and as they respectively became due and payable.

Your Orator further shew unto your Honor that on the 1st of January 1846 they made the cash payment of $3000 and on the 19th of March 1847 they paid in part the first instalment which became due on the 1st of January of that year the sum of $800 and on the 3d of November 1848 they made the further payment of $1000 applicable as they existed first to the payment of the interest on the balance of the first instalment and to the interest on the 2d instalment which fell due on the 1st of January 1848 and the residue of the payment then to be applied to the principal of the first and second instalments then on the 20 of April 1849 they made a further payment of $500 applicable first to the payment of the interest on the balance of the first and second instalments due & the interest on the 3d instalment due on the 1st of January 1849 and the residue of the payment then applicable to the principal of the Instalments then due and on the 13th day of October 1849 they made the further payment of 1000 $ applicable first to the payment of the interest on the balance of the first second and third instalments then due and the residue of the payment then to be applied to the principal of them and on the 24th of December 1849 they made a further payment of $3700 applicable first to the payment of the interest then due on said three instalments and

the residue to the balance of the principal of the instalments then due and on the 9th of June 1853 they made another payment of two thousand dollars ($2000) applicable to the payment of the balance of the first second and third instalments and to the interest on the other instalments which had become due and on the 20th of June 1853 they made the further payment of three thousand dollars and Thirty Six cents ($3036) applicable to the payment first of the interest due and then to the reduction of the principal. Your Orator refers herewith as a part of their Bill of Complaint marked Exhibit No 3 a statement shewing the application of the payments so made by which it appears what was due from your Orator to the said James S Merrell on the 20th of June 1854 the sum of $7818.80 and which is to be a debt interest on $7651.70 the principal from the 20th of June 1854 to the present time.

Your Orator further shews unto your Honor that they have offered to settle with and pay to the said James S Merrell the amount due him according to the Method of Calculation he insisted upon before expressed and which is exemplified by their said Exhibit No 3 provided the said James S Merrell would execute and procure to them a deed of said Lands and your Orators aver that they are now ready to pay him the amount so due & from whenever to stand entitled to them a deed for said Land according to the terms of said amended Bill your Orator avers and shew unto your Honor that the said James S Merrell has refused to settle with them upon the terms shewn and expressed and has refused to execute from them on payment the amount so due to him and has refused to give to your Orators a deed for said Land to enable them to convey the same the said contract he was entitled when the said payment of $800 was made by them as aforesaid on the 19th March 1847 to charge up the interest not only upon the first and any instalment then due, but also to charge the interest upon and the deferred instalments although not then due up to the date of said payment and apply the $800 paid to the liquidation of the amount of interest in this manner shewn then due, and reserving upon the right to apply all the subsequent payments in like manner Your Orator files herewith as a part of this Bill marked Exhibit No 4 a statement of by the said James S Merrell for the purpose of explaining to your Honor the principles resorted of the Theory of settlement contended for by him. By comparing the statement put in by your Orator Exhibit No 3 with the statement prepared by the said James S Merrell Exhibit No 4 Your Honor will see that the said James S Merrell claims of Your Orators as due on the 20th of June 1854 the sum of $8311.54