rendered the Board just before he went out of office, and which were reported to a committee consisting of Charles Gould, L. M. Sherman and Joseph Sorrey; so far as I know those payments had never before been brought before the Board; the alleged settlement of those accounts of Mr. Mehaffey said to have been made by the executive committee, was made without my knowledge, and as far as I know, without the knowledge of any of the Directors, except the executive committee. The entries of said settlement in the books of the Company were made in like manner, without the knowledge of any of the Directors except the executive committee, to the best of my knowledge. I was present at the meeting of the Directors on the 29th May 1858, when the resolutions disapproving of said settlement were adopted. I was present at a meeting of the Directors on or about the 21st May, 1858; said Mehaffey then stated in the presence of said Sherman that he wanted to make an arrangement with the Cumberland Co, to transport coal on his own account; in the course of that conversation, Mehaffey stated that he had never approved of the contract for transportation of coal for the Hoffman Company; that the said rates did not pay the Company, or words to that effect. The settlement alleged to have been made by the executive committee with Mr. Sherman, on or about the 20th or 28th of March, 1858 was not known to me, and so far as I know, was not known to any Director, unless it might be the executive committee; nor was it, so far as I know, ever brought before the Board of Directors. I was present at a meeting of the Board when the confirmation of the appointment of Trustees under the Trust Deed was made. I thought at the time and so stated, that I thought the appointment had better be made from out of the Board of Directors, that is, from others than members of that Board. I enquired if there would be any charge for performing the service by Trustees, and Mr. Mehaffey said there would be none; Judge Sherman was present; I supposed at the time that this appointment of Trustees would be merely nominal, and for the protection of the interests of the Company against the creditors.

James Riley.

Being cross examined by Judge Sherman, he says I am at present a stockholder and officer in the Cumberland Coal and Iron Company; my foregoing deposition has been read by me to the Commissioner, from a manuscript in my hand, previously prepared for me by Samuel J. Tilden, at the complainant's office, being my responses to questions put to me by him, being my own language. I did not know of the sale spoken of at the time of my election into the Company, except by hearsay. I did not know the names of the parties to that purchase or either of them previous to my election. I do not know of anything that was reported to the Board of Directors touching the proceedings of the Company at any of their meetings previous to my said election. I know of no false representations having been made by Sherman & Dean to the Company previous to my said election. I know of no false representations made by Sherman & Dean in regard to said sale. I am now advised by the decision of Judge Davis and the opinion of Samuel J. Tilden of the rights of the complainants in regard to said sale and contract. I think I had been so advised by discussion previous



to the outgoing of the old Board, on the first of June 1858. So far as I understand the matter, it was not necessary or customary for the Board of Directors or any of the members of the same, to be present at the entry of accounts by the Secretary in the books. It was not the practice of the Company or the Board to report the settlement of their accounts with individuals to the Board; that was left with the executive committee. In giving the language used by Mr Mehaffey in regard to his desire to make a contract for transportation with the Company, I have given simply the impression left on my mind, and not the words themselves. In giving his language in regard to the contract with Sherman & Dean, I have given his words so far as I recollect them at this time. I do not now pretend to give the exact words, but the decided impression they then made on my mind; the words I used in regard to the appointment of Trustees, at the meeting at which they were confirmed, were that " I thought it would be proper to appoint some party outside of the Board of Directors as Trustees, or at least one member of it." I think that Mr. Hughes and Cottrel, with myself, composed the committee to take a release from Sherman & Dean, qualifying the Deed and contract to them, and I think that Mr. Hughes reported a form for such release; to the best of my belief we subsequently reported a release which was adopted.

James Riley.

On re-direct examination, he says, that after my statement in answer to Judge Sherman's question, whether I was a stockholder in the Cumberland Coal Company, and while being cross examined by him, I sold all my stock and interest in said Company to Mr. McVickar. What I mean by saying that I do not know of any false representations made by Sherman & Dean, that dont now recollect what the complaint charges to be misrepresentations. I have read a portion of the complaint, that setting forth the alleged misrepresentations, but do not now remember what those misrepresentations were said to be; I have no personal knowledge whether they were misrepresentations or not.

James Riley.

On re-cross examination, he says I have looked on the complaint I had so looked on it at the time I made the affidavit in the case before Judge Davis. I did not intend in that affidavit to swear to the falsity of any of the misrepresentations of Sherman & Dean as alleged in said proceedings before Judge Davis. I do not now know of any false representations made by Sherman and Dean, in regard to the sale and contract.

James Riley

Sworn and subscribed before me this 8th April, 1859. Witness my hand and official seal.

{Seal}

John Bissell,
Commissioner for Maryland.

Adjourned to the 9th April, at 10 o'clock A. M.

J. Bissell,
Commissioner for Maryland