is not in the mood to follow my advice. The recent repeated reports of a suit against him appears to have decided his mind.

As you know I have the most implicit confidence in the integrity and uprightness of Judge Sherman, and I may not therefore have felt the force of the charges which are said to have been made in relation to this purchase, as sensibly as some others of his friends; nor have I felt, nor do I now feel, that the matter is incapable of adjustment honorable to all parties.

As it is, however, I can do nothing. I was sorry to find Judge Sherman had decided to form his property into a Company, and he came on with the sketch of the agreement of incorporation all prepared. I desired to dissuade him from such a course, as it earned the cutting off all future negotiations, but he seems determined to carry it into effect. As he will still be the substantial owner of his interest of 5/8ths, it will make no practical difference in any way. Mr Dean and he, in their respective proportions, will own the stock, except some few shares.

I regret the inability on my part to do anything more for promoting an adjustment.

It was my intention, when I did go to New York, as I expect to do shortly, to telegraph to Judge Sherman and ask him to meet me. Until now I had hopes that everything could be amicably settled.

Respectfully &c

Wm Schley

Baltimore, Aug.t 18th 1858.

(Agreement C.)

Baltimore, August 28th 1858.

My Dear Sir:

When I last wrote to you, I took it for granted that the statements in my letter were true in fact, and I feel very sure that the Judge was under the like impression. And I was the more inclined to this opinion because in one of my letters from Oakland, I as expressed myself as to relieve you from any delicacy which you might otherwise have felt in the institution of immediate proceedings if the Company were so inclined. In any last, if I had had any doubt of the correctness in fact, of the statement, I would have taken pains to state, that the indirect overtures for settlement therein referred to, were made by certain persons, (whose names were mentioned) so as to exclude the idea that I intended to ascribe this proceeding to you. I take it for granted, however, that in this respect, I was not misunderstood.

I have expected, however, for some time past, to hear of active proceedings on the part of the Company as a great deal was said by persons, of which most probably you had not heard. These remarks were carried to the Judge, and their effect was to counteract the influence which my letters and advice might otherwise have had.

When I saw the Judge here, on his recent visit, I had still hopes of inducing him to commit the matter to my professional care, and exerted myself, no little, in efforts to persuade him that notwithstanding all that had passed, or was reported to have been said, that the matter could be adjusted on a basis that would avoid all reproach. He thought otherwise. He had been chafed so much, that he had not cooled in temper. He seemed to think that it behoved him to meet and repel all such attacks; and he felt himself able to do so.

To me the prospect of a suit where there is any feeling, is always unpleasant, and I did hope that I could have done something, either as a middle man to compose the difficulty; and I would gladly have done so, more especially as I suppose the re-conveyance of the property would be a benefit to the Company, and in my judgement, its re-sale would be no loss to him. If I had the means I would take it at its cost to him to-morrow.

I believe I mentioned in my last that Judge Sherman retains his interest as stockholder;

the other owner taking stock the extent of his interest. The formation of the Company, therefore, does not present any obstacle to the contemplated proceedings, more especially as the nominal stockholders had undoubtedly notice of the asserted claims of the Company.

Respectfully &c

Wm. Schley.

Mr. Selden.

Afterwards to wit: on the eighteenth day of July in the year last aforesaid the said respondents by their solicitors aforesaid, file in court here, the following depositions, to wit:

Depositions taken by and before me, Frederick Pinkney, a standing Commissioner of the Circuit Court for Baltimore City, duly appointed, qualified and sworn, on the eleventh day of July, in the year of our Lord, eighteen hundred and fifty-nine, at ten o'clock in the forenoon, at my office No. 46 St. Paul's street, in the City of Baltimore, and State of Maryland, pursuant to notice, under and by virtue of the order of the Circuit Court for Allegany County, sitting as a Court of Equity, passed in the behalf in the above entitled case, and the agreement of counsel hereto annexed in the presence of the solicitors of the respective parties.

The Commission duly met at the above mentioned time and place, pursuant to notice, when by agreement of the solicitors of the respective parties, the taking of testimony was adjourned to five o'clock in the afternoon of the same day, and the same place, at which last mentioned time and place, the Commission met pursuant to notice, and I proceeded in presence of the solicitors of the respective parties, to take the following deposition, that is to say:

The complainants solicitor filed with me the annexed paper marked Complainants' Notice "A."

William Schley, a witness of lawful age, produced on behalf of the complainant, being by me first duly sworn on the Holy Evangely of Almighty God, being examined on the following interrogatories to him propounded, in that behalf, makes oath deposeth and saith as follows, that is to say:

First Interrogatory — Please to read the paper now shewn to you marked "Complainant's Exhibit A. No. 1" purporting to be a Deed from Allen M. Sherman and others to the Hoffman Steam Coal Company, dated the twenteth day of August eighteen hundred and fifty-eight, recorded among the Land Records of Allegany County, in Liber H. R. No. 17. folio 224, &c, and say whether you drew the original of which the said papers purports to be a copy.

To the said first interrogatory he answers — I have looked at the copy and am really unable to say from memory whether or not. I prepared the original Deed, but I am satisfied from having read over the Deed that it was either prepared by me, or that I revised a Deed previously prepared by some one, because the language of the Deed is such as in a like case would probably be used by me.

The said William Schley being then cross-examined on the following cross-interrogatories to him propounded, on behalf of the defendant, makes oath, deposeth and saith as follows, that is to say:

First cross-interrogatory — At the times of the drawing, and at the date of the execution of that Deed, had you been, or were you, the attorney of the Hoffman Steam Coal Company?

To the said first cross-interrogatory, he answers: No I was not; I was counsel of Judge Sherman, that is to say Allen M. Sherman, one of the defendants, and one of the persons named as grantors in said Deed. And that my relations to