to dissolve, passed by the Circuit Court of Allegany County, in an Equity cause therein depending, in which the Cumberland Coal and Iron Company was the complainant and Allen M. Sherman, William B. Dean and the Hoffman Steam Coal Company were defendants. The motion to dissolve was made by all the defendants, and, being overruled on the Opinion of the Court, after an amendment was made to the complaint, the formal order was filed, the amended bill having been answered by all the defendants. The Hoffman Steam Coal Company alone appealed.

The object of the bill is, to cause to have declared null and void, certain deeds of lands from the Complainant to Messrs. Sherman and Dean and the cancellation of a contract entered into with them by the complainant for the transportation of coal &c. over a rail road belonging to the Caller. And, also, to procure a transfer of the aforesaid lands to the Complainant, the same having been conveyed, as also the contract of transportation, to the Appellee. The Bill prays an accounting on the part of the defendants, as to the coal &c, which have been mined and transported from the lands mentioned in the proceedings: and, also, an injunction, restraining the disposition and sale of any of said lands, the stock of the Appellant or the transfer of the contract relating to transportation

The whole equity of the complaint rests on two principal allegations: First, fraud, in fact, on the part of Sherman & Dean, in their dealings with the property of the complainant, and second, that if there be no such fraud in fact as to vitiate the whole transaction, the law, under the circumstances of this case, imputes such knowledge to the Appellant of the relation of Sherman to the Complainant, and the course of his proceedings, as will affect its title with whatever infirmity belonged to his title.

The principal and operative facts detailed in the bill of Complaint may be thus stated.

The Complainant was incorporated by the State of Maryland, at December Session 1840. Andrew Mehaffey was its President from 20th March 1854 to 7th June 1858. Sherman became a Director by an Election to fill a vacancy 21st February 1855 and continued to be such until 29th May 1858. On the 4th of April 1855 Sherman was appointed chairman of a committee to prepare bye-laws, and as such, on the 4th day of June 1855 reported to a meeting of stockholders that an Executive Committee should be created, to be constituted of three Directors, two of whom to form a quorum, the committee to be appointed exclusively by the President; that in pursuance of the authority conferred upon him by the adoption of the report, the President, Mehaffey, appointed Messrs. Sherman, Francis Bloodgood and Joseph Torrey an executive committee and, as such, they assumed to act on the 29th of May 1858, but they never kept any record of their proceedings. That, in the 7th of October 1855, Sherman at a meeting of the Board of Directors of the Complainant, held in the City of New York, proposed for the adoption of the Directors, which were done, the following resolution.

"Resolved, that the President appoint a committee of five directors, whose duty it shall be to proceed to the Company's property in Maryland, and ascertain how much and what part of their lands can be sold, without interfering with the working and facilities of the Company; and if practicable, that they apportion and set off, by metes and bounds such portions as they in their judgment shall deem advisable and report the result of their commission to this board, at the earliest day practicable."

Sherman was appointed Chairman of the Committee having associated with him one, Joseph Torrey, M. N. Stalls, William Pettet and Francis Bloodgood.

This committee was appointed by the president, Mehaffey, who, on motion, was added to it. Only Sherman, Mehaffey, and Pettet acted and visited the lands. On the 11th of December 1855 they made a report recommending a sale of a portion of the lands of the Complainant; a resolution was passed authorizing a sale of land for $200,000. On the 15th January 1856 another resolution was passed, which, after referring to that of the 11th December, and declaring its execution to have been found impracticable, proceeds as follows: "it is understood that a sale of a less quantity of land, for $150,000 or thereabouts may be effected, which sale, it is believed will accomplish all the ends &c. Therefore, Resolved, that the President and Secretary be, and they are hereby authorized and directed to make such sale, by executing a deed of the land to be sold and to make and execute such covenants and agreements, on the part, and in the behalf of this Company and as they may deem necessary to accomplish the ends above mentioned. Resolved, that the President be and he is hereby authorized to modify the terms and conditions of such sale, in his discretion, if he shall deem it necessary to the accomplishment of such sale"

On the 22d of April 1856, at the City of New York, a deed of conveyance of certain lands belonging to the Complainant, and therein described, and a certain agreement relating to transportation, were executed and delivered by Mehaffey, as President to Sherman & Dean. This transaction was on the 13th of May 1856, reported to a meeting of the Directors of the Cumberland Coal and Iron Company, and according to the minutes of its proceedings, "after explanation" it, as well as the acts of the President and Secretary, were, by the Board, "unanimously approved"; and a copy of the deed, together with the agreement entered into, directed to be placed on file for future reference

On the 19th day of August 1855, the Hoffman Steam Coal Company of Allegany County was formed under the Act of Assembly of this State of 1852 chapter 320. On the 20th August 1858, Sherman and wife and Dean, conveyed to the Hoffman Company the land which had been conveyed by Mehaffey to Sherman and Dean and according to the bill were about "to execute and deliver to the said Company, an assignment of the aforesaid contract for transportation, or other instrument purporting to impart to the said Company, rights under and by virtue of the said contract." The bill alleges the Capital Stock of the Hoffman Company to consist of five thousand shares of which, they charge, "on information and belief" Sherman and Dean became subscribers to the number of four thousand and nine hundred and ninety shares; that Sherman was a subscriber for about five eights of the shares and Dean for about three-eights of the shares and that the other ten shares were nominally taken by other parties, for the purpose of enabling the said parties to participate in the formation of the said Company, and become directors thereof. The bill charges that Sherman, in the form of stock issued by the Hoffman Company, still retains his interest in the lands mentioned in the Deed executed by the President of the Complainant and also, in the contract of transportation, and that he retains possession of the deed and contract; that he is an officer as well as Director of the company and has and exercises entire practical control of the Company and that the change or conversion of his ownership in the lands, into an interest in the stock, is a fraudulent device, for the purpose and with the design of evading the jurisdiction and process of the Court. It also charges that the Hoffman Company