of his means. I was comparatively a stranger. But from the general knowledge I obtained they were believed to be good.

32nd Int. Do you recollect about what number of bonds of $1000 each falling due January 1st 1856, were purchased and obtained by Sherman at any time prior to or during that month?

Answer. The whole number was 467 bonds; my recollection does not serve me as to any bonds having been purchased after it became due; my impression is, they were all purchased, secured, or arranged for before the 1st of January, 1856.

33d Int. Did the Company furnish to Sherman the means or money with which to purchase these bonds as fast as he required the same, or was Sherman in advance to the Company for that purpose?

Answer. The Company did not. Judge Sherman was in advance, and had to rely upon his own resources to a very great extent.

34th Int. What arrangement did he make with Brown Brothers as to the purchase and extension of bonds held by them?

Answer. Judge Sherman purchased from Brown Brothers, paying them par and interest, and afterwards sold them back the ~~same~~ bonds as extended for eight years at about 8 per cent; I am not positively certain.

35th Int. Was it a part of the arrangement between Brown Brothers and Sherman, when he obtained the bonds from them that they were to be taken back as so extended?

Answer. I believe it was.

36th Int. What sums did Sherman pay upon the purchase of the bonds other than those belonging to Brown Brothers?

Answer. I can't recollect just now what amount Brown Brothers had.

37th Int. At what rate or rates did Judge Sherman purchase the bonds held by others than by Brown Brothers?

Answer. At the same, par and interest.

38th Int. At what rates did Judge Sherman sell bonds as extended other than those sold to Brown Brothers?

Answer. They were, as near as I can recollect, in the neighborhood of 8 per cent. Some few perhaps less.

39th Int. Do you recollect whether returns were made by Judge Sherman to you or to your Company, of moneys paid by him in the purchase and extension of these bonds at or about the time such moneys were expended by him, or whether such returns were delayed until about the time such bond transactions were completed and the matter closed?

Answer. My recollection is, that such returns were delayed until the close; partial returns may have been made, but I have no distinct recollection of them.

40th Int. What proportion of Judge Sherman's time was devoted to this transaction, and to matters connected therewith?

Answer. I believe his whole time from the commencement to the end of the negotiation.

41st Int. During about what period of time were these transactions in progress?

Answer. I think he undertook the negotiation in September 1855; but even previous to that he exerted himself with a view to relieve the necessities of the Company. The negotiation commenced in September 1855, and ended on January 1856, and during that period his time was especially devoted to that object.

42nd Int. During about what period of time did Judge Sherman devote him-

self to the service of the Company, and to what extent was his time so occupied?

Answer. From the early part of 1855 until he left the Company in 1857. He devoted all his time when his health permitted. Whenever I did see him, he was devoting all his time to the business of the Company. I never discovered that he had any other special business than this, I mean professionally. He may have had his private matters to attend to.

43rd Int. Were these services of his necessary to the Company?

Answer. They were indispensably so.

44th Int. Where did he reside when he commenced rendering them?

Answer. I believe he resided in Newburgh, on North River, about sixty miles from New York.

45th Int. After he commenced rendering these services, did he remove to the city of New York at any time, and if so, for what reason?

Answer. He did remove to New York for the reason that he desired to give more of his time to the affairs of the Company.

46th Int. Do you recollect the "reserved stock account" so called, which is contained in the books of the complainants?

Answer. I do.

47th Int. Do you recollect the circumstance of a charge being made in the "A. M. Sherman loan account" or "Bond account" as it has been called, of $10,000 as paid to John Thompson, of the City of New York, and which $10,000 was afterwards charged to the "reserved stock account"?

Answer. I recollect it distinctly.

48th Int. Please state under what circumstance, and for what that $10,000 was paid to John Thompson, how it happened to be charged to Sherman, and why such charge was cancelled, and afterwards charged to the reserved stock account.

Answer. It was paid to John Thompson by my directions, as a margin to buy the stock of the Company, I not deeming it policy to have the Company known in the transaction. I took the liberty to direct the Secretary to charge the said $10000 to A. M. Sherman, who was then in Baltimore, and upon his return I explained to him what I had done, and my reasons for it, and of course had the account transferred to the "reserved stock account" when I deemed it the proper time.

49th Int. What was done by Thompson with that $10,000 or what returns, if any, did he make to you in relation to it?

Answer. I dont know what he did with it, certainly he never made any return either of stock or money. That is all I know about it.

50th Int. Did you ever require from him any account of that transaction, if so, what was the result?

Answer. I did not, for the reason that I heard of his failure, and that it might be considered a total loss. It was considered a total loss, and I never spoke to him on the subject.

51st Int. Was his failure a disastrous one?

Answer. I was told it was very much so, very disastrous; hence it was that I said nothing to him on the subject.

52nd Int. Why was it that no entry was made of this transaction in the reserved stock account, except the charge of $10,000?

Answer. I do not know that any other entry was necessary.