The Examination of the witness David Palmer, was here suspended by consent of parties that Otto W. E. Schack, a witness heretofore examined might be further cross examined for defendants.

The said Otto W. E. Schack makes oath, deposeth and saith as follows, that is to say:

14th Cross Int. Be kind enough to look at Complainants' Exhibit Loomis No. 2, which you yesterday examined, and state whether since such examination you have so far refreshed your memory as to be able to state whether any of the orders, for purchases and sales, purporting by that exhibit to have been made by your firm on account of Mehaffey and Sherman, were in fact given to your firm by Sherman, or whether all of such orders were not in fact given by some other person?

Answer. I have refreshed my memory, and am now confident that those orders were not given to the firm of Schack and Scofield by A. M. Sherman, but by some other person or persons.

Again Examined for Complainant.

11th Int. Have you examined your books since yesterday or otherwise refreshed your recollection, so as to be able to state whether the transactions set down in Complainants' Exhibit Loomis No 2, as made by your firm, are therein correctly stated?

Answer. I have examined the books of Schack and Scofield, from the date of the 12th of November, 1855, up to the 27th of August, 1856, and believe that the transactions mentioned in the Exhibit, Loomis No 2, as far as I can remember without having the exhibit before me, are correctly therein stated, and have more particularly refreshed my memory with regard to the manner and parties from whom Schack and Scofield received those orders.

12th Int. Why did you limit the commencement of your examination to the 12th of November, 1855?

Answer. It did not occur to me that the exhibit commenced at an earlier date.

13th Int. Name now the person or persons by whom the orders for these purchases and sales were given to Schack and Scofield?

Answer. They were given mostly by Joseph Sorrey, verbally, and some I believe to have been given by A. Mehaffey, whether in writing or verbally I can not now say.

14th Int. When and how did it occur to you that you had made an error in your testimony yesterday on this subject?

Answer. On examining the books of Schack and Scofield, and there finding the account for whom they were purchased, and by whom the differences were paid to them.

15th Int. Did you not, after the close of your examination, and before leaving the room, have a conversation with Judge

Sherman on the subject which brought this error up?

Answer. After my examination yesterday, I passed a few words with Judge Sherman, but nothing which led me to discover the error in my testimony, nor have I seen him since.

16th Int. In thinking over the matter since yesterday, with such aids to your memory as you have been able to get, have you discovered any other error in your testimony given yesterday except this which you have now corrected.

Answer. I should like to have my testimony read, that I may see (which is done) Witness then says: I have not discovered any other error than the one I corrected this morning.

17th Int. Did you ever, during the period covered by these purchases and sales for account of Mehaffey, and Mehaffey and Sherman, mentioned in this exhibit, converse with Mr. Sherman or Mr. Mehaffey, on the subject thereof, and if so, how frequently?

Answer. I did very frequently; perhaps two or three times a week.

Again Cross Examined for Defendants.

15th Cross Int. After having referred to your books, please state by whom were all the sales and purchases mentioned in that exhibit as having been made on account of Mehaffey and Sherman were settled and closed when due?

Answer. Mostly by Joseph Sorrey, I can not state whether A. Mehaffey settled any; but I find no trace of having received any differences from A. M. Sherman.

David Palmer, being then further cross examined on behalf of defendants, makes oath, deposeth, and saith as follows, that is to say:

12th Cross In. When did you, for the first time, ever attend a meeting of the stockholders of the Cumberland Coal and Iron Company?

Answer. In June, 1858.

13th Cross Int. When did you, for the first time, attend a meeting of the Directors of that Company?

Answer. In April, 1858.

14th Cross Int. Did you, before becoming a Director of that Company, acquire any knowledge of its affairs; and if yea, state how?

Answer. I had no knowledge of the affairs of the Company previous to my being a Director.

15th Cross Int. Were you ever Vice President and President of said Company, and if yea, from what time to what time were you such Vice President and President respectively?

Answer. I was Vice President of the Company from 1858 to 1860; my impressions, that it was from the first of July that I became Vice President but I cannot fix the time