April Term 1866.

That acting upon the suggestion and advice he the said George Jackson being unable to pay his debts as they became due proposed to his Creditors to pay them fifty per cent of their debts respectively upon an Average Credit of twelve Months. That these terms were accepted by said Creditors, especially by Complainants and were carried out and satisfactorily fulfilled by said George Jackson, who gave his Notes for the stipulated amounts and paid them as they became due relying in release from said Complainants and the other Creditors respectively relative of their several demands and claims against the said George Jackson. That this agreement of Compromise was consummated on or about the 1 day of August 1855 and afterwards carried out and fully executed by the said George Jackson aforesaid, That the treaty aforesaid was commenced by the said George Jackson upon the suggestion of said Lewis as before stated and was conducted to its conclusion and in every step thereof without an imagination of fraud and in the most perfect good faith towards all his Creditors and these respondents further stated that the said George Jackson previous to said Compromise held in real Estate whatever and only possessed a little interest in two lots and houses one on Huron and the other upon Asquith Street; that the lot fronting on Huron Street was 15 feet in front with a depth of about 70 feet and subject to a ground rent of $175 cts per foot with about $800 over the ground rent. That the lot on Asquith Street was 15 ft 5 inches front with a depth of 145 feet subject to a ground rent of $36.12 cts with a house the ground rent about $825, that both these pieces of property were at the time subject to Mortgages to the amount or more than the amount of their full value to Trees Prudd and East Pacemen Associations. That the Creditors of the said George Jackson including Complainants were made acquainted with the condition of both of said properties, and included in a statement made to them of the condition of said George Jackson. These Respondents further state that in addition to said lots the said George Jackson had a Stock of goods and Merchandise in a Store rented by him in Biddle Street to the amount of about Thirteen thousand Dollars in value by estimate. That some time before the Compromise aforesaid he made a sufficient schedule of said goods with the prices annexed also a list of all the debts due to the said George Jackson with a statement of all such as he thought good and bad marked upon it that the schedule of the property and list of the debts were placed in the hands of the said Lewis who said he traced them to the Creditors and hereafter taking them away and keeping them for some time afterwards returned them. That after their return one day James Hooper one of the firm of Hodgins & Brothers called at the said Store where the schedule of the goods was exhibited to them with the goods themselves in the Store and having examined them both and compared the former with the latter expressed himself satisfied that the Stock was taken high enough. Respondents believe and therefore aver that of the goods had been sold at auction, they realized not by a very considerable sum of money to reach the estimate prices of the schedule. The list of debts was also exhibited to said Hodgins with the statement of what he considered good and bad debts, that some days or three weeks after this the Creditors of the said George Jackson met to consider and determine upon his aforesaid proposition to pay on receiving a release fifty per cent of his indebtedness to them - that some of the Creditors expressed themselves that he ought to pay 60 or 70 per cent, when the said George Jackson said he would pay 70 per cent if they would permit him to continue his business and consent to credit him as they have done; which being refused it was finally determined that they would receive the fifty per cent in the manner and at the periods of credit as proposed by him when the Compromise was entered into the Notes and releases respectively exchanged and the arrangement consummated as aforesaid, the Notes given by said George having been indorsed by the said James Jackson. And these Respondents further expressly

state that before the completion of Compromise aforesaid the said George Jackson did make a fair and true statement of his affairs to his Creditors of his property and debts due to them which they had ample opportunity to examine and which they did examine, and as these Respondents suppose formed a judgment for themselves and were governed by it as much or more than any statements made to them by the said George Jackson, which however these Respondents aver to have been perfectly true. And these Respondents deny that the said George Jackson did increase at any time his indebtedness much larger than it actually was or the necessities of his business required with view to represent himself as compelled to suspend payment, at the same time that he was lending to his brother James Jackson large sums of money, or that he secreted any portion of his property to dispose of in the hands of his said brother that he might represent to his Creditors that he was unable to pay his debts and thereby induce them to take less than what was due to them; these Respondents utterly deny the truth of these allegations contained in the said Bill against them and aver that they are totally false and without any fair foundation whatever.

These Respondents aver that the said George Jackson so far from secreting and putting away his property made a fair exhibition of the whole of it as aforesaid, and that if the same had the terms of the Compromise been put for immediate sale or converted in trust for the benefit of his Creditors they do believe that with the debts due to said George Jackson it would have yielded enough to have paid fifty per cent of his then entire debts. These Respondents further state that the said George Jackson being released from his embarrassments by the said Compromise and the extension of the time to pay his debts immediately resumed his business with renewed diligence and continued his sales as before making frequent purchases only with a view to enable him to dispose of his old Stock to greater advantage that he was successful for in collecting some old debts that he had regarded as desperate that with this money and in the course of time and by his unremitting exertions in making sales at retail and without any sacrifice of his goods, he was enabled to make considerable profits out of his Stock on hand, out of which from time to time and as he wanted to pay his bills and for other purposes, he loaned his brother James Jackson about fifteen hundred dollars within the space of four or five months about January 1856 at which time he took me a ground rent of one hundred and ninety dollars at twenty seven hundred dollars from which does deducted the money loaned by me them and the balance paid to him in instalments.

That in the month of April 1856 the said James Jackson proposed that I should join him in the lease of property on Howard Street on which to erect a Carriage Factory with a view of forming a partnership with him in making and vending carriages that accordingly on the 5 of April 1856 a deed of lease of a lot on said Street was executed to them jointly by Henry Nash and Wife at which time the said George Jackson agreed with Joseph and Otto Shringle said James Jackson to carry to them the ground rent of one hundred and ninety dollars for $3.300 building materials consisting of lumber bricks and hardware for with a discount of 5 per cent on settlement of their prices, that said James was to superintend the erection of the Carriage Factory, which he did and which was completed in September 1856 that the balance of the money furnished by said G Jackson to complete said Factory in addition to the sum above mentioned was paid in cash at different times and goods furnished from his Store upon the orders of said James both before and after the completion of the building. The Factory was then accepted by the said James and used in the Manufacture of Carriages.

In January 1857 the said George and James Jackson came to a settlement when according to the statement of said James the Carriage Factory had cost in its erection the sum of fifty five hundred dollars. At this same time the said James Jackson took