

Minier, Assistant Vice-President, Free State Bank and Trust Company, setting forth the prerequisites required by Free State Bank and Trust Company for the making of said \$50,000.00 loan; a copy of said letter is attached hereto marked "Claimants Exhibit # 1" and prayed to be taken as a part hereof.

FOURTH: That on April 24, 1975, a policy of title insurance issued by Lawyers Title Insurance Corporation insuring the title to a certain 17.968-acre tract of land owned by William M. Jenkins, Jr. and wife, hereinabove referred to, was mailed to Free State Bank and Trust Company, attention of Mr. Hornbeck. Said mailing was made by Murray H. Fout, Attorney at Law, Frederick, Maryland. A copy of said letter of mailing is filed herewith marked "Claimants Exhibit # 2".

FIFTH: That on May 5, 1975 a statement was issued by Free State Bank and Trust Company to Bogley Custom Homes, Inc. reflecting an interest charge through May 2, 1975 on the \$50,000.00 Bogley Custom Homes, Inc. note in the amount of \$2,812.50 and further applied principal of \$35,187.50 to said \$50,000.00 William C. Bogley Custom Homes, Inc. note, making a total charge of \$38,000.00; and on said date of May 5, 1975, a credit statement was issued by said banking institution to Bogley Custom Homes, Inc. in the amount of \$38,000.00. Said Charge Statement is filed herewith marked "Claimants Exhibit No. 3" and prayed to be considered a part hereof. Said Credit Statement is filed herewith marked "Claimants Exhibit No. 4".

The remaining \$2,000.00 principal of the \$40,000.00 Deed of Trust note of William M. Jenkins, Jr. and wife, was retained by Free State Bank and Trust Company as a discount or service charge for which no credit was given.