

James H. Falk, a witness of lawful age, produced on behalf of the Complainant, deposes and says as follows:

Questions by Mr. Coblentz.

Q. State your full name and residence.

A. James H. Falk; 203 East Fourth Street, Frederick, Maryland.

Q. What is your occupation?

A. County Treasurer.

Q. What position did you hold, if any, with The Home Building and Loan Association?

A. Since 1935 - Assistant Secretary.

Q. As Assistant Secretary, did you have access to the investments and securities of The Home Building and Loan Association?

A. Yes.

Q. I will show you a note dated March 12, 1937, in the sum of \$5,000.00, signed by Lewis H. Knock and Pauline Z. Knock, to the Commercial Bank of Maryland, assigned on the back by the Commercial Bank of Maryland to The Home Building and Loan Association. This note is marked Exhibit No. 1 to the Bill of Complaint. Will you identify that note and state whether or not it is a part of the assets of The Home Building and Loan Association.

A. Yes, it is.

(Note offered in evidence)

Q. Do you recognize the signatures of Mr. and Mrs. Knock?

A. They are their signatures.

Q. State whether or not that note was assigned to The Home Building and Loan Association for value.

A. Yes, it was.

Q. I show you a certified copy of mortgage dated March 12, 1937, from Lewis H. Knock and Pauline Z. Knock to the Bank, securing the sum of \$20,000.00, in the form of No. 1 note of \$15,000.00 and No. 2 note of \$5,000.00. Will you look