

In this case, a settlement between the complainant and the corporation was made, and stock of the Company transferred to the latter for the amount found to be due by the former. Upon a bill by complainant attacking this settlement it was decided, that it was not fraudulent in fact, and was allowed to stand, but leave was granted to surcharge and falsify the accounts upon which it was based, and they were accordingly corrected, and the amount due greatly reduced. **HELD—**

That the complainant has the right to demand the whole amount of stock transferred by him, upon his paying the amount really ascertained to be due from him, such transfer to stand merely as a security for the sum actually due.

[The first opinion of the Chancellor in this case, delivered on the 22d of November, 1848, is reported in 1st *Md. Ch. Decisions*, 306. The decree of the Chancellor accompanying the opinion was as follows:

“This case standing ready for hearing, and having been fully argued by the solicitors for the complainant and the defendant, the proceedings have been read and considered. And it appearing to the Chancellor, for the reasons stated, that the charge of fraud, in the settlement of the 1st of June, 1844, has not been sustained by the proof.

“It is thereupon adjudged and ordered, this 22d day of November, 1848, that the said settlement stand and be established. But it appearing further to the Chancellor, for the reasons also in that respect stated, that said settlement was founded upon accounts, which are erroneous in several particulars, both in the items of charge and credit; and that justice, and the principles which govern this Court, require that the complainant should have liberty to surcharge and falsify the same. It is thereupon further ordered, that the complainant have liberty so to surcharge and falsify said accounts in the particulars, and to the extent specified in the accompanying opinion of this Court. And this case is hereby referred to the Auditor, with directions to state and report the necessary accounts, from the pleadings and proofs now in the cause, and such further proofs as the parties may lay before him—the said accounts to conform in all respects to the principles, and to be confined within the limits prescribed in the said opinion of this Court.”