

SOUTH CAROLINA NEWS ITEMS

News of Interest Gleaned From All Sections of the State and Arranged For Busy Readers

LICENSE MAY BE REVOKED.

Southern Life Insurance Company Mixed up With the Seminole to its Hurt.

On account of being dissatisfied with the statement made by C. J. Cooper, general manager of the Southern Life Insurance Company, to Commissioner McMaster, the latter has ordered the officials of that company to show cause on January 18, 1909, why its license to do a life insurance business in South Carolina should not be revoked.

The commissioner in his letter to Mr. Cooper reviews his statements as published last week which statement goes into the history of the deal between the Seminole Securities company and the life insurance concern when the former bought the stock of the company. This statement, it will be recalled, shows that the par value of the stock was \$50 per share and 2,300 of these shares were sold at an average price of \$108.33 1-3 and that other shares at not less than 150 per share.

Mr. McMasters declares that he considers the company's affairs so hopelessly tangled with the affairs of the Seminole company that he has decided on this step.

The Southern Life company was licensed to do a life insurance business in this State several months ago and at that time complied with all of the conditions required. The law governing the conduct of life insurance companies under the supervision of the commissioner requires that 20 days' notice be given when a revocation of a license is contemplated.

Commissioner McMaster, in addressing the said Cooper says:

"A careful consideration of the statements contained therein (Cooper's report) seems to me to show that on July 15, 1908, the Southern Life Insurance company, through yourself as general manager, entered into an agreement with Mr. C. J. Hebert to sell the capital stock of the company to the amount of the difference between \$500,000, the authorized capital and \$165,000 already placed at the time of the market and the value of the stock to the other officers and directors of the company.

The excessive commissions agreed to be allowed Mr. Hebert, the general tenor of the contract of July 15, and of the letters and telegrams which passed between the company and Mr. Hebert convince me that his stock could not have been sold at the prices agreed upon between the company and Mr. Hebert if a true and honest representation of the condition of the company were made to the public—the prospective fellow-stockholders of the present officers and directors of the company.

"It seems to me that the facts shown in this agreement with Mr. Hebert, to which all of the officers and directors of the company were, or should have been, cognizant, presuppose and are based upon intentional deception of the public as to the actual value of the stock.

"I find that while the contract of July 15, between the Southern Life and Mr. Hebert, was an exclusive contract (and one very profitable to both Mr. Hebert and the company), yet it is surpassed and supplanted, in a measure, by the contract made on September 23 with the Seminole Securities company, whereby the unold portion of the capital stock of the Southern Life Insurance company (par value \$50 per share, was to be sold by the Seminole Securities company so as to yield the Southern Life not less than \$150 a share, and herein the interest of the Southern Life, the Seminole Securities company and C. J. Hebert became so inextricably mixed as to make each practically a share in the methods as well as in the profits to be gained from the public.

The Commissioner sets forth at length that which forces him to suspect that the officers of the Southern Life Insurance Co. were guilty of participation in a scheme to impose upon those who would become stockholders.

He closes with the following paragraphs:

"If this be true, I am of the opinion that so long as the company remains in the control of its present officers and directors it is not a safe and reliable concern.

"This, therefore, is to summon you to show cause before me at my office in Columbia, on January 18, 1909, noon, why your license to do business in South Carolina should not be revoked on the ground that the Southern Life Insurance company is not a safe and reliable concern, for the above stated. This is done with a view to act creating

the insurance department of South Carolina, approved February 24, 1908.

"Very truly,
"F. H. McMASTER,
"Insurance Commissioner."

RECEIVERSHIP PRAYED.

The Seminole Company in a Great Tangle—Seems One of Three Combined Schemes to Defraud.

The Columbia State of the 17th says: "There has been so much talk about the Seminole Securities company that a number of people have expressed an interest to see the charter of that company. In that connection there are two other companies promoted by Mr. Jno. Y. Garlington. The first of these, in point of time, was the Carolina Agency company. The second was the Seminole Securities company and the last is the Blue Ridge Investment company. Mr. Garlington had been State agent for the State Mutual Life of Rome, Ga., and had made a remarkable record as a sclera of insurance. The Carolina Agency company was organized to handle his renewals of premiums.

The original officers of the three companies named were: J. Y. Garlington, president; J. S. Young, secretary. Mr. Young is from Laurens and is a first cousin of Mr. Garlington. However, there has been a wholesale change in the list of officers of the Carolina Agency company. The first of these was chartered March 25, 1907; second, Jan. 7, 1908, and the third Nov. 6, 1908. The objects had many features similar. J. Y. Garlington was the chief figure in the three companies.

The general purpose of the Seminole corporation and the nature of business it proposed to do was: "To act as agent and manager for financial corporations and insurance companies of all kinds, and to buy, sell and own stocks and bonds and other securities of other corporations, both domestic and foreign.

Motions with reference to the Seminole Securities company have been made in the courts and there was official action with reference to the Southern Life Insurance company, which is now a subsidiary corporation of the Securities company.

The complaint is a caustic arraignment, and if the charges can be substantiated will reveal a sad state of affairs. However, most of the allegations are based upon "information and belief" and may not be credited for the full face value of the accusations until the referee gets its turn before Judge Watts, before whom one of the complaints was made.

It seems that the names of unsuspecting good men were secured to give tone to the enterprise and soliciting agents used these names for all they were worth.

After describing the offices and duties of the several defendants, the complaint says: "Plaintiffs now believe, and on information and belief allege, that the real purpose of the appointment of said trustees was to lend tone, standing and credit to the scheme of the managing officers of the said defendant company, and influence the unsuspecting public to become subscribers to its capital stock."

It is further alleged that the charter itself was obtained fraudulently, "upon false and fraudulent certificates" of the corporators "procured" by the said J. Y. Garlington, and that if 50 per cent of the stock was subscribed, as is required to get a charter, it was done fictitiously, and 20 per cent had not been paid in unless it had been paid in by the pretentious services of the said Garlington.

The plaintiffs allege that such roscate prospects were held out that stocks in the company were sold above par and premiums for insurance were paid in advance of policies which were not issued according to promise. Notes were accepted and these notes discounted at the banks at as much as 40 per cent.

The company is alleged to be insolvent and the records removed from the State of South Carolina. The plaintiffs pray the court to enjoin certain banks from paying out sums to the credit of the company.

Garlington, the chief figure, claims readiness to fight out the matter in the courts.

Aetna Mills to Resume January 1st.

Union, Special.—Aetna Cotton Mills, of this city, which were sold at a special meeting of creditors to a syndicate headed by Lewis W. Parker and Ellison A. Smith, prominent mill men, will resume full operations January 1st, though the names of the president and manager have not yet been announced. The mill employs over two hundred operatives.

CARNIVAL OF CRIME

Five Attempts at Killing in Spartanburg County in Two Days—Two Successful Attempts.

Spartanburg, Special.—Since Saturday night Spartanburg county has been the scene of two killings and three attempts at murder. Both the men killed were negroes, one being Will Cox, an Atlanta negro, who was shot to death last week by an unknown negro at a railroad camp on the line of the Carolina, Clinchfield & Ohio railroad, near the North Carolina line, while the other was Jesse Leake, who was killed late Saturday night by Dump Dorroh as they were returning from a negro frolic near Switzer. Dorroh is in jail.

The murderous assault on Mrs. Sallie Green, the aged woman residing near Campobello, will probably result in her death. George Mintz was arrested in Greenville county on the charge of committing this crime by Special Constable Moss Haynes, and is now in jail here. It is said he has made a partial confession.

Two other attempted killings occurred on the line of the C. C. & O. near the city. The first was a difficulty at the Leonard & Beckman camp, near Cowpens, when Foreman Charles Carter was perhaps fatally cut by a white man whose name is not known here.

The second difficulty was Saturday night between negroes of the Ross camp at the edge of the city. Ed. Johnson had his throat cut by a "new negro" who has disappeared. Johnson will get well.

Greenville, Cherokee and Laurens counties all report killings last week.

Farmer's Union.

Chester, Special.—The Chester County Farmer's Union met here, the principal purpose of the meeting being to elect officers for the coming year. The meeting was fairly well attended. The election of officers resulted as follows: J. G. L. White, president; J. B. Atkinson, vice president; C. C. McAliley, secretary and treasurer; Walter Simpson, doorkeeper; H. T. Boyd, conductor; J. A. Hope chaplain; Mr. E. H. Killian declined reelection as secretary and treasurer. Mr. J. S. McKeown also declined reelection as business agent, but will continue to perform the duties of the office until the first meeting in January, at which time the place will be filled.

At the meeting on the second Monday in January Ira Williams of the United States department of agriculture will be present and will make an address, as will B. Harris, president of the South Carolina State Farmers' Union. It is planned to have a big rally at this time, the general public being invited.

The Union passed a resolution endorsing the public cotton weighers of the county and expressing the hope that the system will be continued.

State News Items.

Laurens, Special.—A jail delivery in which five white men secured their liberty for about two hours, occurred here this morning at about 8 o'clock. The escape was effected by burning the wooden door around the bolts which held the locks, a poker being used for the purpose. Four of the prisoners were captured in less than two hours, among them being W. A. Foreman, who is in jail for beating a ride on the train and is being held for deserting the United States army.

The only one not yet captured is Albert Riley, the young man from Greenwood, who was arrested for stealing a suit case and some clothes from the Owings boarding house.

It is reported that Y. C. Duncan has organized a company and has bought the Aetna Cotton Mills. He has been living in Tennessee since his noted connection with the Buffalo and Union cotton mills.

It is estimated that about \$900,000 a year has been lost to the State by the Texas fever tick among cattle. A vigorous educational and quarantine campaign is being carried on by co-operative State and Federal veterinarians. Instructive and persuasive efforts when unavailable, will be followed by the strong hand of the law to effect the eradication of the pest.

Lexington county enjoys a rare record of longevity. "Aunt" Matilda Wise died on the third instant at the age of 117 years. She was one of the good old timers and was much beloved for her good characteristics.

It is announced authoritatively that the two large cotton mills at Fort Mill will resume work regularly January 4. These mills have been shut down since the first of August. Most of the help has moved away so as to obtain employment, and it is doubtful whether there will be sufficient help to run all of the machinery.

KNOX SEC. OF STATE

Pennsylvania Senator Accepts Highest Place in Cabinet

MR. TAFT IS MUCH GRATIFIED

After Receiving a Telegram From Philander C. Knox, Signifying His Willingness to Accept, Mr. Taft Announces His Appointment as Secretary of State.

Augusta, Ga., Special.—William H. Taft, President-elect of the United States Friday night announced the appointment of United States Senator Philander C. Knox, of Pennsylvania, as Secretary of State in his Cabinet.

The announcement followed the receipt by Mr. Taft of a telegram, which came late in the afternoon, conveying the information from Mr. Knox that he would accept the premiership of the Taft Cabinet. Mr. Taft without delay made the announcement that the matter was settled. In giving the details of the negotiations he said that the offer was made to Mr. Knox last Sunday morning in New York. That since the offer he had not heard from Mr. Knox until the telegram he received Friday. After a consultation with Secretary Root in Washington last Sunday afternoon, Mr. Taft said he made an effort to see the Pennsylvania Senator there but was informed he was in New York to attend the dinner of the Pennsylvania society. He wired Mr. Knox to see him at the Henry W. Taft residence Sunday morning. The appointment was kept Mr. Knox concluding his visit in time for Judge Taft to attend morning church services, but remaining at the Taft residence until after Judge Taft had gone to church.

"I feel that I am to be congratulated in securing the services of Senator Knox in my Cabinet," Judge Taft said in making the statement with the understanding that he was to be cited. "In selecting a Secretary of State I wanted first a great lawyer, and, second, a man who would fill the public eye, not only here but abroad, as a man who stands out prominently as a great American.

"Mr. Knox was a great Attorney General; he was a prominent candidate for the presidency, and he is recognized in the Senate and elsewhere as one of the great lawyers of that body."

Judge Taft also feels that from a political viewpoint the selection of Mr. Knox is most happy. He explained that there was often a feeling that the State of Pennsylvania, with its assured Republican majorities, often was slightly in the matter of recognition in the high councils of the party. That this will not be the case in the next administration was indicated by the announcement by Mr. Taft that he should invite Senator Knox to come to Augusta, Ga., that he might consult him freely with reference to filling other places in his Cabinet. In fact, he said that he felt the need of such advice as she should be able to obtain from Mr. Knox regarding not only the Cabinet, but many matters preliminary to the beginning of his administration. That Mr. Knox's influence will be potent was freely admitted by Mr. Taft.

The hesitation of Senator Knox to make a more speedy decision is interpreted here to his desire to arrange with due regard for the interests of the party and his State for relinquishing his seat in the Senate. Mr. Taft evinced many evidences of gratification at the decision which has been reached.

Root Will Not Resign.

Washington, Special.—Reports that Secretary Root contemplates resigning his seat in the Cabinet in the immediate future because of the trouble which he is experiencing from his knee which was injured while he was in the West making a speech in behalf of Mr. Taft, are denied in responsible quarters.

Harriman Case Decided.

Washington, Special.—In deciding the cases of Edward H. Harriman and Otto H. Kahn vs. the Interstate Commerce Commission, the Supreme Court of the United States held that the commission is not entitled under the interstate commerce law to press questions relative to private transactions, even though they involve dealings in the securities of interstate railroads, when the investigation of which such questions are a part has no relation to the commission's in-



QUESTION.

How can a man
Be a cheerful giver,
When what he has
Is a sluggish liver?
—Birmingham Age-Herald.

WELL PRESERVED.

"Is she a well-preserved woman?"
"Yes, guaranteed under the Food and Drug act."—Town and Country.

THE REMNANTS.

Reginald—"Uncle died in Europe last week, and they are bringing his remains home on the steamer."
Marjorie—"You mean remnants."—Life.

THE GRUMBLER.

"I see they are to have a hookless waist," said his wife.
"And just as I had got to be an expert in hooking them," he growled, being a natural kicker.—Philadelphia Ledger.

HIGH HEADS.

Patience—"That grocer of ours is asking thirty cents apiece for cabbages. Isn't that rather ridiculous?"
Patrice—"Well that family always did hold their heads high."—Yonkers Statesman.

MERE BEGINNERS.

Mrs. McCall—"They haven't been keeping house very long, have they?"
Mrs. Hiram Offen—"Gracious, no. Why, she can recall the names of all the servant girls they have had."—Philadelphia Press.

THE POISON AND THE ANTIDOTE.

Agent (hailing newly arrived steamer)—"What have you got for us?"

Captain—"There's three hundred cases o' gin. And there's a couple o' missionaries!"—Punch.

TAKING HIS MEDICINE.

"Mr. Bliggins never seems to think of anything that is worth saying," said one young woman.

"I don't know about that," replied the other. "He certainly never says anything that seems worth thinking."—Washington Star.

WAITING MORE INFORMATION.

"You don't seem much concerned over the service of those divorce papers."

"Too soon yet," replied the actress. "I don't know whether it's a scheme of my husband or of the press agent."—Philadelphia Ledger.

BETTER AND WORSE.

"How's yer husband arter the accident, Mrs. Ginnerty?"

"Faith, sumtimes he's better an' sumtoimes he's worse, but frum the way he swears and yells an' takes on whin he's better, Oi think he's better whin he's worse."—Puck.

EXPERIENCE.

"He never parts with a cent."

"Well?"

"He'll never get any experience that way."

"He'll never need any. Experience merely consists of parting with money unwisely."—Kansas City Journal.

HOME-MADE JEWELRY.

"I wonder whar that gal is? I hain't seen her this hour an' a half."
"She ain't fur," replied the old man. "Last time I seen her she wuz killin' a couple of rattlesnakes to git rattles enough to make a necklace to wear to the party!"—Atlanta Constitution.

LIKE THE OLD FRIENDS BEST.

"Why don't you ever write any new jokes?"

"Wouldn't be any use," answered the contributor to the humorous weeklies. "These editors are a foxy lot. They would recognize and throw them out at once."—Louisville Courier-Journal.

THOSE TIES.

"I didn't know young Snobberly really took any interest in politics."

"Nonsense. He doesn't."
"But I just heard him talking for the past ten minutes about 'party ties.'"

"Oh! He means white lawn bows."—Catholic Standard and Times.

NOT QUITE SO CRAZY.

Mrs. Henpeck (to her husband)—"What would you do if I were to die?"

Henpeck—"It would drive me crazy."

Mrs. Henpeck—"Would you marry again?"

Henpeck—"I don't think I would be as crazy as that."—Pioneer Press.