

W. A. Kinney Offered To Take Up Note

LAUKEA'S TESTIMONY CONCLUDES WITH INTERESTING DETAIL OF ISOI TRANSACTION — CONFIDENCE IN TOWNSEND. BORROWS FROM POLICE OFFICERS—ACTION HE TOOK

Q. Can you recollect the day that you had that conversation with Mr. Taylor about that note? A. I don't know. I think it was about a few days after the attempted bribery at my house. When I asked Townsend why Isol did not bring the money, that was the time, it was within those days I don't know whether it was before or afterwards that I told Taylor the whole thing.

Q. Well was it before or after the substituted note was given that you had this talk with Taylor, this incident at the house of the attempted bribery occurred somewhere during the third week of May? A. About a week before the note became due, somewhere probably about that time.

Q. But this conversation with Taylor was that before or after the execution of the substituted note? A. I don't know exactly. I think it was about that time, my recollection is that this talk with Taylor and Townsend in my office about the note transaction was about two or three days after they had been at my house. Isol had been at my house.

Q. And then how long after that was it that you told Mr. Taylor about the attempted bribery? A. May have been the day after.

Q. What did you tell Mr. Taylor as to what your plans in reference to entrapping Isol upon that bribery proposition? A. I said to Mr. Taylor that I thought I was going to have—I spoke something about a situation about arresting Isol for attempted bribery, but that I had slipped up on it, some words to that effect.

Q. Was that the first time that you ever mentioned to any one that you had a plan or scheme to entrap Isol in the bribery matter? A. I think so, when I knew that they didn't come and Townsend, who said there was something wrong, I had plans to arrest them but as they didn't come, I didn't say anything more about the matter until Townsend came to my office and told me about this interview with Mr. Taylor.

Q. You say that on the following evening, that is the evening following the making of the \$1000 proposition, you had formulated plans for the arrest of Isol? A. Yes.

Q. What plan had you formulated? A. Receiving of the money, getting some witnesses there to look on from inside to see the actual handling over of the money.

Q. When you spoke of the witnesses, did you mean Townsend? A. Townsend was supposed to be with Isol at the time, at least I expected them to come again.

Q. What witnesses had you arranged with to be there the following evening? A. I suggested they bring the \$1000 with them.

Q. And what persons had you arranged to be there on that following night as witnesses? A. I had not arranged, I did not say a word to any body because there were people at the house. I could very easily get an officer out there about 10 minutes because I have a private telephone at the house.

Q. Just prior to the execution of the original \$100 Isol note according to the statements that have been made, you made endeavors to borrow that money elsewhere, did you not? A. According to the statements that have been made? A. Where? A. The press don't always give out the truth.

Q. Is that a fact that you had made endeavors to secure a loan from other sources? A. Yes, I did. Before I negotiated this loan, it was the same loan that I obtained from Colburn, I went to Mr. Dillingham to see if I could get money to meet these notes of mine that I had given out of different people and which were becoming due, he being the only one that I thought could help me to raise some money. I asked for \$250 at the time to meet two notes. I failed to get any money from Mr. Dillingham so I went to Colburn and borrowed \$150 from him. With that money I paid a note that was becoming due about that time. I also tried to see W. R. Castle, rather James Castle to see if I could not get some money through them for the same purpose of meeting notes—paying notes—but failed to find him at his office on the two occasions that I called there.

Q. These demands were made prior to the Isol note, were they not? A. Sometime prior to the Isol note, it was all for the same purpose. I think this was paid over by me to John Baker, not to Colburn as the paper announced. He and I are very friendly, and when he has money which is due him, I sometimes collect it. In this case he had sold a horse to Dr. Coffey. He sent the horse down and requested me to collect the money. When the horse arrived Dr. Coffey brought me the check for the amount, and when being in that condition with him, he told me I could always use his money, so I took that money to pay it over to Mr. P. about that time, about the 1st of May. I think I was owing P. — there was \$100.00, so I took this money from Baker's and paid P. — and took up my note. Baker was coming down on Saturday so I borrowed this same money to pay John Baker, this money that I took, so that is how this whole matter came about. The statement that the paper gave out was not correct about John Colburn.

Q. And did you ask him what had gone wrong? A. No, I did not? MR. LAUKEA— I would like in connection with the substituted note was because you did not want Mr. Taylor to know about the transaction? A. I don't remember making that statement, but the real purpose was to avoid all this publicity. I don't want the note to stay in Isol's hand.

Honolulu, July 27, 1908. STATEMENT OF E. TOWNSEND. I, E. Townsend, of Honolulu, Oahu, being duly sworn, do depose and say:

That some time during the month of April, Sheriff Laukea requested me to see if I could borrow \$100 from one of my friends. I visited several friends, but none of them had \$100 in cash, because on that particular day Sheriff Laukea spoke to me about it rather late in the afternoon, secondly, the banks were all closed, which prevented my friends from drawing from the banks. I could not think of any other person having available cash, so I went to Isol and spoke to him about the loan, which he favored me with right away. At the time I borrowed the money from Isol, I told him that he must not expect any return favor because, as far as the loan was concerned, it is purely a simple personal transaction. I asked Isol how much interest he wanted, Isol replied that he was not in the loan business and there fore did not care for interest. I gave the money to Sheriff Laukea the same afternoon, and received his note which I gave to Isol later on. At the time the Sheriff wrote the note he asked me who the man was, I simply told him that the person was one of my friends. The note was taken up when it became due and the transaction ended.

E. TOWNSEND. Subscribed and sworn to before me this 28th day of July, A. D. 1908.

(S.) A. N. FERNANDEZ, Notary Public, First Judicial Circuit.

Q. That affidavit was made by Mr. Townsend at your request? A. In his own writing.

Q. At your request? A. At my request. Q. What was your reason for keeping the original Isol note and destroying the substituted note? A. On account of publicity that might be given it, I kept the original, the substitute I destroyed. I endorsed it on the same day that I took it up.

Q. Well, the notation across the face of the note does not in any manner indicate that the substituted note is one in favor of Townsend and not Isol. A. I say it was issued to Townsend, the substituted note.

Q. Yes, but the notation across the face does not indicate that? A. It does not. Isol will make that statement, I think.

MR. LAUKEA— I wish to submit this document also for what it is worth to show to what extent the Committee will give credit to the statements of Isol in reference to this matter.

On the Sunday that Mr. Taylor took leave of the police force after the police inspection, Isol came to my office unsolicited by me and made this statement, which I had since and which I had Townsend put to writing and made him sign he acted as interpreter.

MR. MILVERTON— Q. You had Townsend sign it? A. Yes, Townsend signed it.

Honolulu, July 12, 1908. Statement made by Isol to the Sheriff at the police station in presence of Interpreter Townsend on the morning of July 12th:

Mr. Sheriff, I came to see you today in regard to the articles written in the evening paper about the promissory note you gave me at one time. I have always considered that as far as the loan was concerned, it was nothing but a pure personal business transaction, and I believe it is one's business, and, Sheriff, I feel that gross injustice has been done to you by publishing such a trifling thing. When I heard that Mr. Breckons had in his possession the photograph of your note, I made investigation as to how the note reached his hand. I suspected my wife, and, Sheriff, I asked her if she ever showed the note to Mr. Breckons, to which she replied that Mr. Breckons came to my house at Isol one day while I was absent, and Mr. Breckons asked my wife how much money she had saved up lately, as it is customary for Mr. Breckons to visit my house, at least once a month, and goes all over the room and sees things in sight, as he is interested in my welfare. I am more or less under obligations to Mr. Breckons, as he has always been good to me and at one time, even loaning me money when I was hard up; that was about three years ago. My wife claims that when she opened the trunk she took out a bunch of notes and receipts, which she kept in the trunk and showed it to Mr. Breckons. Mr. Breckons picked out a certain note and asked my wife how she came to get the note in question, which he said was from Mr. Laukea. My wife says that she told Mr. Breckons that she did not know anything about it. Mr. Breckons requested my wife to let him have the note for a little while. She consented and Mr. Breckons took away the note, but soon brought it back. Of course

when I heard the above statement from my wife, I loked her and kicked her out of the house, but friends interceded, and I took her back. I got mad with my wife, not because the transaction was exposed, but because she had no right to meddle with my private affairs.

Mr. Sheriff, I am ready to make the above statement before anybody that the transaction was purely personal and had nothing to do with the Isol matter one way or the other. I know Mr. Inouye offered to give interest for the money loaned, but I declined. The note was paid up when it became due, and at that time I considered the transaction as closed.

E. TOWNSEND. Now I want to say this to the Committee, when this matter came up, as well as the other deal which was made public, I asked Townsend, who interpreted for this man Isol on this day, Sunday, July 12th, to write down as far as he could remember the conversation, at least, this interview between Isol and myself. He did so and brought me a rough copy in pencil of this statement. I looked it over and in a general way gave the substance of what Isol had said to me, then I asked him to typewrite it and sign it, which he did, and this is the statement that he had typewritten and signed.

MR. MILVERTON— Q. Did you say that you wrote portion of this statement? A. No, that is all in Townsend's own words.

MR. LAUKEA— When the matter was to be investigated by the Grand Jury, at least when I reported the matter to the Attorney General followed by an investigation of the Grand Jury, Larnach, the Deputy Attorney General, happened to be in my office. I showed him these two statements, and suggested to Larnach, who was investigating the matter for the Attorney General's Department, whether it would not be advisable to have Townsend look over these statements, at least the Isol statement, and asked him whether the statement given there was as near correct as he could remember. Mr. Larnach called Mr. Townsend into my office, showed him the statement of Isol and asked Townsend if that was the statement that Isol had made to me through himself as interpreter. Townsend said yes. The Committee will notice that Isol makes a very different statement in the paper, in the Bulletin, as to how Breckons came to the note. But I want to show that this is what Isol said to me through Townsend, and I wish to testify to the correctness of that, as far as we could remember. That is how I remember that conversation, that is, the substance of it.

MR. MILVERTON— Q. You had necessarily to rely entirely on Townsend's interpretation? A. Entirely.

Q. And you state that you have little or no confidence in Townsend? A. Well, I had my confidence very much shaken up in him. I can't say whether Isol said that or not, because I don't understand Japanese.

Q. Have you ever borrowed any money other than this Isol \$100 note through members of the police department or your subordinates, or from persons outside of the police department? A. I have.

Q. In what instance? A. Through Officer Apana. I asked Officer Apana one day some six or eight months ago if he could help me borrow \$100 just the same way, and he brought the money. I filled out the note in my own handwriting and gave it to him; made it to the party that the officer borrowed the money from and later paid it. In that case in installments.

Q. Is that the only instance in which you have borrowed money in that way? A. That is all, I think.

Q. Through your subordinates from people outside of the department. A. In the case of Apana, I don't know. He went out and brought the money in and I asked him who to make the note out to and he said to do so.

Q. Is that the only instance besides the Isol instance? A. I think that is the only two instances.

Q. Or have you borrowed money aside from these two instances from the officers of the department or subordinates of the department without knowing where they secured money? A. Yes, I have borrowed money from officers of the department in amounts of \$5.00, \$2.50 or \$4.00 as I needed the money. I would ask the clerk, Mr. Rose, sometimes if he could spare me a little money out of his own pocket, but no larger amounts, more than \$3, \$4 or \$5, and only in the shape of I. O. U's. I never gave notes for these small amounts.

I think that it all, Sheriff.

MR. LAUKEA— Well, there is one matter more I would like to say, and that is, I want to keep the documents I have just shown, but you can get them any time that you want.

There is one thing more I would like to add, that Mr. W. A. Kinney—it was from Mr. Kinney that I first learned that Mr. Breckons had a photograph of my note. Yes, that was about the first week of the beginning or second week of June. He met me on the street out here, on the Young Hotel sidewalk, and asked me



MONASTIR, THE "CRADLE" OF THE "YOUNG TURKEY" — A SCENE IN THE CAPITAL MONASTIR.



Monastir, a view of which is shown in the above illustration, is the headquarters of the "Young Turkey Party of Union and Progress," which has triumphed in its determination to establish a constitutional government in the Ottoman Empire. Officers of the Third Army Corps, stationed in the vilayet, some of whom shot Osman Hidayet in the barracks, threatened to kill all the generals in Macedonia, and to march with an army from Monastir to Constantinople (four hundred miles) and demand the re-establishment of the constitution of 1875. The Revolutionary Committee of the Young Turks in Monastir have even assumed the functions of a government, with well-paved streets, mostly Greeks and Bulgarians, the Turks being chiefly officials.

if I had borrowed money from one Isol, I told him that I had, much to my regret. He then informed me that Breckons, the United States District Attorney, is said to have the photograph of that note, and offered me the money to go and pay Isol so as to take up the note. I told Mr. Kinney that I had already paid the money back and had the note in my possession. I also told Mr. Kinney then at that time everything in connection with the note, how it had come about and the attempted bribery at my house subsequent to the giving of the note. I also told Mr. Emmeluth the same thing some time later when he spoke to me about Taylor's intended resignation.

MR. KEALOHA— Q. What Kinney was that? A. The attorney, W. A. Kinney, the attorney.

MR. MILVERTON— Q. How long was that conversation after you had paid the Isol note? A. I think it was about a week or ten days after I had paid the note.

Q. And how long was it after that that you had the Emmeluth conversation? A. It was a week or two after that. He spoke to me first about Taylor's resignation and I told him the whole thing.

That is all.

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WASHINGTON, D. C., AUG. 15.—The United States Army now owns the Baldwin military dirigible balloon. At 6 o'clock this evening three Signal Corps officers — Lieutenants Lahm, Foulois, and Selfridge — had made eight trips in the airship. General Allen, chief signal officer, informed Captain Baldwin that, having fulfilled his contract, he could turn over the balloon at any time. While the airship had been accepted as far as construction, speed, and endurance were concerned, Captain Baldwin still had one provision of his contract to carry out. This was to train two Signal Corps officers to handle the craft. Today in an hour's time, he trained three officers to be in the freight station here now, but the Wright Brothers have until the 25th to make delivery at Fort Myer will be received at Fort Myer tonight from Orville Wright, the aeroplanist, that he would arrive Thursday. His aeroplane is believed to be in the freight station here now, but the Wright Brothers have until the 25th to make delivery at Fort Myer. No opportunity for further practice with the airship and ascensions at Fort Myer will be of almost daily occurrence.

Last Week Kerr's Sale