STATE OFFICIALS IN FULL CHARGE OF KNICKERBOCKER

Sixty Million Dollar Concern Fails to Open Its Doors to the Clamoring Throngs of Depositors Who Demand Their Cash.

The Knickerbocker Trust Company, which was closed to-day to clamoring thousands of depositors, has been taken completely in charge by the State Banking Department and Attorney-General Jackson. Mr. Jackson is getting reports from various bank examiners at work on the suspended company's books, upon which, it is stated, he will probably begin receivership proceedings.

It was pointed out by the Attorney-General this afternoon that a receivership action might be brought by stockholders or depositors, as well as by his office.

THE SECRET CABINET.

For the first time to-day was revealed the names of the executive committee of the Knickerbocker Company, which, under Charles T. Barney, the retired president, managed all the big affairs of the institution in secret conclave. This committee voted all loans and negotiated the big deals which have aroused the criticism of the banking world.

The following were members of Mr. Barney's cabinet: Joseph S. Auerbach, of Davies, Stone & Auerbach; Harry B. Hollins, of H. B. Hollins & Co.; A. Foster Higgins, of Higgins & Cox, now president of the Knickerbocker; Henry S. Dimock; Frederick G. Bourne, president of the Singer Company, and Frederick L. Eldridge, the vice-president, who is now in Dr. Bull's sanitarium suffering from a broken leg.

SOME BARNEY LOANS.

This Executive Committee met to-day at the main office of the company, No. 66 Broadway, and after an examination of the loan account, found amounts there which even they as an executive committee had never passed upon. A member of the Executive Committee told an Evening World reporter that Mr. Barney had made these loans upon his own individual responsibility.

The eager, half-frantic crowds who swarmed about the central offices and branches of the Knickerbocker Trust Company, were notified at 10 o'clock to-day that no money would be paid out. When the placards were posted saying that the State Banking Department had taken charge of the company, the crowds were ugly and threatening. Police reserves were called out to protect all offices of the company. The placards announcing the closing read:

"State of New York, Oct. 22, '07. Pursuant to authority conferred upon me by Chapter 637 of the Laws of 1892 I do hereby take possession and charge of the Knickerbocker Trust Company.

"GEORGE I. SKINNER,

"Acting Bank Examiner of the State of New York."

Shortly after these notices were posted on the locked and barred offices of the trust company Mr. Skinner issued the following statement:

"Under the advice of the Attorney-General I have taken possession of the Knickerbocker Trust Company and its branch offices. The support to the institution which was expected yesterday has not been furnished.

"A bank examiner is to-day in charge of every office. Payments will be received of obligations due to the trust company, but no payments will be made by the examiner in charge. Payments should be made in cash. Collateral will not be surrendered until it is shown that it is not pledged for other indebtedness to the institution."

ATTORNEY-GENERAL ACTIVE.

President A. Foster Higgins, of the Knickerbocker, said to-day that he was undecided whether to apply for the appointment of a receiver or to leave the affairs of the company in the hands of Acting Supt. Skinner and Attorney-General Jackson. The Attorney-General has established his headquarters at No. 259 Broadway, from which he is directing his staff of deputies, who have been assigned with bank examiners in every institution that is subject to inquiry. There are also bank examiners in several national banks that were formerly controlled by the Heinze-Morse-Thomas ring.

Since the stormy meeting of trust company heads and bankers at Sherry's late Monday night, when Charles T. Barney was forced to resign the presidency of the Knickerbocker Company, he has kept in close seclusion. When Evening World reporters called at his home yesterday they were notified that he was getting some needed sleep. He could not be found later in the day. It was the same last night and to-day, no one being able to obtain any sort of statement or interview from the ex-president of the Trust Company.

How the situation which caused the closing of this $60,000,000 institution came about is told in the inside story of the events which The Evening World is now able to present.

Charles T. Barney, the former President of the Knickerbocker, had been speculating in various stocks in association with Charles W. Morse. Loans had been made to him by the Bank of North America, and when this fact became known his fellow-directors in the Knickerbocker became nervous.

Barney Asked to Explain.

Mr. Barney was called to book. He was informed by the directors in the Knickerbocker that he would have to put up better security there for a loan of $500,000 to the Stock Exchange house of Rogers & Gould, in which he is a special partner. Mr. Barney was forced to deed to the Knickerbocker property which he owned at Forty-eighth street and Broadway.

Then followed the private meeting at Sherry's of the Knickerbocker directors, at which Mr. Barney resigned. His place was given to A. Foster Higgins, who was his friend, and to whom he had confessed that he was practically broke.

Following the resignation of Barney the directors took up the question of whether the Trust Company should open its doors yesterday. Three directors opposed the opening of the doors on the ground that such a move was unfair to the great majority of depositors. The question was put to a vote, and the three dissenting directors were outvoted.

Tried to Raise Funds.

The next question taken up by the directors was the obtaining of funds sufficient to meet any run on the bank. Negotiations were opened with the trust companies and bank presidents then in session, and overtures were exchanged, stating in effect that, if the trust companies would raise $5,000,000 and $5,000,000 was put up by the banking interests, together with the $8,000,000 cash in the company's vaults, there would be the grand total of $18,000,000 to meet the demands of depositors.

This plan to save the Knickerbocker was never consummated. The details were never carried out, for the run was so heavy that at 12.30 o'clock yesterday the Knickerbocker had to close down.

IT NOW APPEARS THAT MANY OF THE DIRECTORS WHO VOTED TO KEEP THE DOORS OF THE TRUST COMPANY OPEN QUIETLY WENT OUT AND TIPPED OFF THEIR RELATIVES AND FRIENDS TO IMMEDIATELY WITHDRAW THEIR DEPOSITS. THIS BROUGHT AN ADDITIONAL RUSH TO THE KNICKERBOCKER AND FORCED THE CRASH.

There is every reason to believe that the depositors of the Knickerbocker will be paid in full, despite the inroad on the cash made yesterday by the "insiders."

PAYNE WHITNEY, ONE OF THE DIRECTORS, WHO IS SAID TO HAVE INSISTED THAT THE COMPANY REMAIN OPEN, IS ALLEGED TO HAVE RELATIVES WHO DREW OUT THEIR MONEY YESTERDAY.

The liquidation of the Knickerbocker will take some time, as many of the loans have a long period to run. Had the company shut down yesterday all of the depositors would have received one-sixth of their money in a comparatively short time. As it is now, a comparatively few of the depositors got away with the entire cash surplus of $8,000,000. One of the earliest to withdraw his account was Oakley Thorne, president of the Trust Company of America and a personal friend of Mr. Barney. MR. THORNE'S COMPANY ALONE WITHDREW $1,200,000 FROM THE KNICKERBOCKER.

In the strong boxes of the company's vaults are many valuable securities, including the bonds of the Hotel Gotham, a $2,500,000 corporation promoted by Henry R. Hoyt, a director; bonds of the Great Northern Power Company, of Duluth; bonds of the Stanislaus Power Company, of California; bonds of Chihuahua Mining Company and bonds of several railroad companies in Cuba.

Among the collateral also will be found bonds of the Ice Trust, which are not so good, owing to the present condition of the market. The directors have not yet been able to get to the bottom of the company's affairs, as the business has been transacted for a long time by an executive committee controlled by Mr. Barney.

There is sufficient capital—$1,200,000—and surplus—$2,067,257—provided it has not been impaired, to take care of any deficiency on bad loans or underwriting or depreciation of securities.

For that reason the anti-Barney element is confident that every depositor will receive 100 cents on the dollar. Of course, no one can tell until the loans are sold how good they are, as the present time is not desirable for the sale of any securities.

The Knickerbocker put a great deal of its money out in underwriting various industrial companies, and there will be great difficulty had in calling these loans. It is estimated that $40,189,221 alone has been put out on collaterals of this character.

Have You Met This Man?

When you see a man putting money away is his safe you may be sure you are gazing upon one who has taken advantage of Life's opportunities.

Can you say as much for yourself?

1,184,970

valuable offers to Work, Hire, Buy, Sell, Rent, Loan, Exchange, etc., have been printed in The World so far this year.

HAVE YOU PROFITED BY THEM? IF NOT, TURN OVER A NEW LEAF.

Crowds Besieging the Colonial Trust Company's Office in Broadway and Picture of the President

(Photographed Specially for The Evening World by a Staff Artist.)

J. E. Borne—Pres. Run on Colonial Trust

Thousands Wait in Vain at Central Branch Doors

The lobbies of the Manhattan Life Building, where the Knickerbocker Trust Company has its several offices, were jammed with depositors hours before the usual dawn of the financial day. Two sergeants and twelve policemen were posted in the lobbies at 7 o'clock to soothe the excited and squelch the disorderly.

It was a different sort of throng from yesterday's that poured into the Broadway building this morning. There were scarcely any clerks, employees and servants of depositors. They were there themselves. They discussed the situation loudly and denounced the officers and managers of the trust company for their predicament.

Long before 9 o'clock there were hundreds jammed into the corridor, those in front with their faces pressed against the glass doors leading into the trust company's offices. They were still as close as sardines at 9.30 o'clock, when they began crying:

"Open the doors and give us our money."

More police were summoned and an effort made to clear the lobbies. The police, however, were gentle and did not attempt to use force.

The officers and directors of the bank did not go through the throng to their offices. They slipped in from a little blind door in the rear.

Waited in Vain.

Fully one thousand persons had gathered out on Broadway and within the Manhattan Life Building by 1 o'clock. At 10.10 A. C. Judson, a bank examiner, pushed his way into the centre of the press, got upon a high marble coping and held up his hand. He is a venerable looking man with flowing white whiskers. He said:

"I wish to make an announcement on behalf of the Acting State Superintendent of Banks, Mr. Skinner. The Knickerbocker Trust Company will not open to-day. On behalf of the president and directors of the Knickerbocker Trust Company I wish to say:

"At present there is no probability of payments being resumed within the next couple of days. Certainly no payments will be made to-day. (Mr. Judson was interrupted by a deep chorus of groans.) Any further statement," he resumed, growing almost purple with indignation at catcalls and jibes, "as to the affairs of the Knickerbocker Trust Company must come from Acting State Superintendent of Banks Skinner. He will reiterate what he said yesterday that in his opinion the Knickerbocker Trust Company will be able to pay all depositors in full."

As Mr. Judson climbed down from his pedestal and wriggled away through the crowd his passing was greeted with hisses and moans. The crowd did not disperse but hung around, venting their rage in curses and denunciation of trust company methods.

At 11 o'clock there were still several hundred blockading the lobbies. Many tearful and sobbing women remained grouped about in hopeless attitudes.

MESSENGERS IN LINE AT FIFTH AVENUE BRANCH.

At the marble building on Fifth avenue the police had no trouble whatever in handling the long line of well dressed, quiet and patient men and women who gathered there early in the day. Several messenger boys, acting for members of the Knickerbocker Club, were posted at the head of the line at midnight.

Two young women, who seemed in great nervous distress, came at 2 o'clock From then on couples and individuals straggled into line.

The fashionable patrons of this branch of the Knickerbocker began to skim down Fifth avenue and emerge from side streets in automobiles and private carriages at the usual rising time of their servants. Many brought their butlers and maids and sent them into the line with bankbooks and bundles of checks.

A little later other well-dressed woman came afoot and timidly took their positions at the end of the line. First it formed stretching north along the avenue and over a bridge spanning a deep excavation where blasting was going on. When Acting Captain Barney Kelleher arrived, however, he drove the line south and around into Thirty-fourth street, where it strung along almost to Sixth avenue before 9 o'clock.

There were many women in this polished, orderly throng, dressed in startling gowns and millinery creations from which drooped plumes in downy cascades over their shoulders. As they nervously pulled on and off their gloves they revealed fingers weighted with corruscating gems. At their girdles dangled many pounds of what some call jeweller's hardware: gold or silver portable toilet articles, smelling bottles, mysterious little boxes studded with diamonds and rubies.

Actresses well known in Broadway play houses got sleepily out of their electric cabs and gracefully yawned as they stepped toward the bronze portals of the marble building. There was no pushing or shoving, scarcely any loud talking. No outcry was made when Capt. Kelleher came down the line and announced that there would be no payments to-day.

WAIT AT DOORS FROM MIDNIGHT ON IN HARLEM.

So great was the throng that invested the Harlem branch of the Knickerbocker Trust Company at One Hundred and Twenty-fifth street and Lenox avenue that the reserves from three police stations were sent there to preserve order. Squads from the East One Hundred and Fourth, West One Hundred and Twenty-fifth and East One Hundred and Twenty-sixth street stations were posted in front of the building at 7 o'clock. At that hour there were several hundred in line; every minute brought more, some running, some driving from upper districts in cabs and automobiles, the majority swarming out of trolley cars.

The Harlem line wound around into Lenox avenue, thence to One Hundred and Twenty-fourth street and westward on that street almost to Eighth avenue. In front of the doors a mob of hundreds gathered out of curiosity.

Then there were the families of depositors who had turned out in force, as if in the expectation that numbers would aid in wringing money from the trust company. The spirit of the depositors was far from calm. Scores of women who had waited through the bleak hours before dawn were on the verge of nervous breakdown, and at every rumor of the company's financial distress they lifted their voices in high lamentation.

A long-haired, tangle-whiskered man whose appearance suggested a Russian revolutionary, was well up in the line on Lenox avenue, where he kept the crowd keyed up by uttering extravagant threats against the company.

"We should burn the building down," he cried, "tear it in shreds, stone by stone."

"Hear, hear!" cried a chorus of men but when a towering policeman walked over to the excited individual and poked a nightstick in his ribs he begged for mercy and promised not to breathe another word.

Pound on Barred Doors.

He was not alone in his ugly sentiments, however, and as the strain of waiting and the news of its hopelessness made itself felt, mutterings and threats became general. Only the fact that they dared not leave the line seemed to prevent a demonstration.

At the doors of the buildings those in a position of vantage pounded on the bars with their fists when the usual opening hour came and passed without a sign of life from within.

The manager of the branch and his staff obtained entrance through a rear passageway, escaping the mob by passing through an adjoining building. The moment the crowd without spotted them in their cages and offices a howl went up that rang along Seventh avenue and brought people running from blocks away.

"The howling and wailing continued in a dismal chorus until 10 o'clock, when a notice stating that the bank would not open to-day was posted above the entrance by a policeman. Those in front who read the notice appeared dazed. Their jaws fell and they seemed unable to realize the meaning of the placard.

STOCKHOLDERS RATIFY $25,000,000 BOND ISSUE.

NORFOLK, Va., Oct. 23.—The stockholders of the Norfolk and Southern Railway met here to-day and voted confirmation of the plans of the board of directors of that system for the creation "of an issue of mortgage bonds to be known as the first and refunding mortgage five per cent. sinking fund gold bonds, limited to the aggregate principal amount of $25,000,000 at any one time outstanding."

The issurance is for the purchase of rolling stock and other improvements.

The stockholders will cover the bond issuance authorizing the execution and delivery to the Trust Company of America as trustee, of a deed of trust of the railroad and its property of every description subject to existing liens.

The stockholders also approved other action of the board of directors without report of specific actions and authorizations being gven out.

LATE LETTER LET A SNAKE BITE HIM.

Peter Jackson, of Norwick, Fla., sent a consignment of snakes to Harry Holle, No. 368 Bedford avenue, Brooklyn, and wrote him a letter telling him of their shipment.

The letter was delayed but the reptiles came on time.

Holle, a dealer in animals, opened the box without knowing a rattler was in it, and the snake bit him. He is in the Eastern District Hospital to-day.

The snake ran around the floor after biting Holle, but he had the courage to corner it and catch it with his well hand.

A brain regularly nourished by proper food will have incentive and power for successful work.

Grape-Nuts is a true brain and nerve food. Made of whole wheat and barley, it contains the elements of vital energy—quickly absorbed by the system—which nourish and rebuild the gray matter of the brain and nerve centres.

"There's a Reason." Read "The Road to Wellville" in pkgs.

CITY'S $194,000 TO COME OUT OF AMERICA TRUST

Chamberlain Martin Gets Permission From Justice McCall in Supreme Court.

City Chamberlain James J. Martin got permission from Justice McCall this afternoon to withdraw city funds on deposit in the Trust Company of America to the amount of $194,174.48, which he holds for the court in litigation between Francis Matthews and others and Charles Vandeveer and others, and redepositing the money in The Bankers' Trust Company.

Also to withdraw $96,885.67, held similarly, pending the dispute over its ownership between Joseph Harvey Laden and George W. Munroe and others, from the Gansevoort Branch of the Fourteenth Street Bank and redeposit it in the Importers and Traders' National Bank.

Mr. Martin would not discuss the matter.

Park & Tilford
Founded 1840 New York
PURE CONFECTIONERY
The Cocoa Beans used in making the tempingly delicious Park & Tilford confections are selected with the utmost care. Only the highest grade, to which attaches a perfection of aroma, is permitted to enter into the making of the rich, exquisitely flavored coatings of the chocolates made and offered by Park & Tilford.
Sold at all our stores and at all principal drug stores.
Deliveries made out of town

Poor Appetite
is often caused by constipation. Chew Gum-Lax and bring your appetite back. It's a mild laxative that tones up the stomach.
Gum-Lax
THE LAXATIVE CHEWING GUM
CURES CONSTIPATION
Tastes as good as the confection Gum. Children will chew Gum-Lax when they won't take pills. Give it to them.
On sale by all druggists. If yours doesn't have Gum-Lax, send 10c for sample box.
GUM-LAX MFG. CO., 29 Broadway, New York City.

CLOTHING ON CREDIT
For MEN, WOMEN AND CHILDREN.
Also a Complete Assortment of
FURS, SCARFS AND MUFFS
On Weekly or Monthly Payments.
LONG ISLAND OUTFITTING CO.
181 Smith Street, Brooklyn.
Open Evenings.

PUBLIC NOTICE To the people of the State of New York or anywhere within 500 miles.
Here's the first opportunity ever given you to Buy Furniture direct from the Manufacturer at Wholesale Factory Prices. We are offering for the next 10 Days Only this magnificent and massive guaranteed
Boston Leather Morris Chair
direct from the maker at our regular
Wholesale Factory Price, $14.75
(Sold at retail stores at 24.50.)
Five-Year Written Guarantee.
We positively require
No Cash Payment Down
Sent to you at our expense ON APPROVAL. We allow the freight. If perfectly satisfactory when received, send us
50 Cents Weekly
until paid for; if not, return at our expense. (Pay $1.00 every two weeks if you prefer.)
Golden Quartered Oak or Mahogany.
Mail Your Order Now as we have but six hundred (600) left. Only one sold to a customer. No dealers supplied. Address
EMPIRE FURNITURE MFG. CO.
OPPOSITE ADAMS'S 348 SIXTH AVENUE, NEW YORK, N. Y. Between 21st and 22d sts.
THIS ADVERTISEMENT MUST BE ENCLOSED WITH THE ORDER.
N. Y. WORLD—10—23—'07

Astor Trust Company
FIFTH AVE. & 36TH ST., NEW YORK
CAPITAL & SURPLUS $1,400,000
Interest Paid on Daily Balances.
DIRECTORS
BENJAMIN ALTMAN, B. Altman & Co.
JOHN JACOB ASTOR,
GEO. F. BAKER, Pres't First National Bank.
STEPHEN BAKER, Pres't Bank of the Manhattan Co.
GEO. B. CASE, White & Case, Attorneys
THOMAS COCHRAN, Jr., Vice-President.
E. C. CONVERSE, President.
H. P. DAVISON, Vice-Pres't First National Bank.
JOHN L. DOWNEY, Building Construction.
HARRISON E. GAWTHY, Consolidated Gas Co.
ROBERT WALTON GOELET.
THOMAS W. LAMONT, 2d Vice-Pres't Bankers Trust Co.
EDGAR L. MARSTON, Blair & Co., Bankers.
GATES W. McGARRAH, Pres't Mechanics Nat'l Bank.
CHARLES A. PEABODY, Pres't Mutual Life Ins. Co.
GEO. W. PERKINS, J. P. Morgan & Co., Bankers.
WILLIAM H. PORTER, Pres't Chemical Nat'l Bank.
SEWARD PROSSER, Vice-Pres't
ROY A. RAINEY, Estate of W. J. Rainey.
DANIEL G. REID, Rock Island System.
DOUGLAS ROBINSON, Real Estate.
ARCHIBALD D. RUSSELL.
ALEXANDER H. STEVENS, Vice-Pres't.
JOHN F. THOMPSON, Vice-Pres't Bankers Trust Co.
CHARLES L. TIFFANY, Vice-Pres't Tiffany & Co.
ALBERT H. WIGGIN, Vice-Pres't Chase Nat'l Bank.
OFFICERS
E. C. CONVERSE, President.
ALEX. H. STEVENS, Vice-Pres.
SEWARD PROSSER, Vice-Pres.
THOMAS COCHRAN, Jr., Vice-Pres.
GEO. W. PANCOAST, Cashier.
HOWARD BOOCOCK, Ass't Sec.

WE INVITE YOUR ACCOUNT.
VAN NORDEN TRUST COMPANY,
Fifth Avenue and 60th Street, New York.
CAPITAL AND SURPLUS - - - - - $2,500,000
Cash in Bank and Vault - $3,593,000
Cash Reserve, 46%.
CLEARING HOUSE AGENT, FOURTH NATIONAL BANK.
SAFE DEPOSIT VAULTS.
OPEN 9 A. M.—5 P. M.
ABSOLUTELY SECURE. CONVENIENT.
SAFES $5 A YEAR UP.
Van Norden Safe Deposit Co.,
5th Avenue & 60th Street, New York.

HAMILTON BANK
OF NEW YORK CITY.
215 West 125th Street
ESTABLISHED 1888.
RESOURCES, $7,500,000
This Bank Has No Downtown Affiliations.
BRANCHES:
1707 Amsterdam av.
135th st. and 7th av.
765 Tremont av.
194 White Plains av.
163d st. and 3d av.
138th st., East of Willis av.
DIRECTORS:
MARTIN D. FINK, Dimock & Fink Co., Wholesale Plumbers.
WILLIAM A. MARTIN, Real Estate.
FREDERICK D. IVES, Vice-President.
F. W. KINSMAN, JR., Frank W. Kinsman & Co., Druggists.
WILLIAM L. WARD, President, Russell, Burdsall & Ward, National Bolt Works.
ADOLPH RIESENBERG, H. C. F. Koch & Co., Dry Goods.
HERMAN AARON, Parker & Aaron.
GEORGE F. BROWN, Duff & Brown, Real Estate.
WILLIAM MONTGOMERY, President.
OFFICERS,
WILLIAM R. MONTGOMERY, President.
FREDERICK D. IVES, Vice-President.
J. C. JOY, Cashier.
ACCOUNTS INVITED.

IT IS AN ACT OF CHARITY TO PRESENT AN IDLE MAN WITH THE WORLD'S "HELP WANT" DIRECTORY.