

BIG LOAN TO MORSE.

MADE BY KNICKERBOCKER Banker Borrowed \$200,000 to Help Float Consolidated Company.

Charles W. Morse borrowed \$200,000 from the Knickerbocker Trust Company nearly a year ago, employing the cashier of the National Bank of North America as his agent.

Mr. Morse admits in his testimony that he used the money obtained from the Knickerbocker Trust Company to buy up the stock of the New York and Cuba Mail Steamship Company, which stock he afterward converted into the stock and bonds of the Consolidated Steamship Company.

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A DAY'S BANKING.

Mr. Wire, in his testimony before the referee, threw some light on one day's banking business as conducted by Mr. Morse. The cashier testified that on February 15, 1907, the day on which the loan of \$200,000 was obtained from the Knickerbocker Trust Company, Mr. Morse also borrowed \$200,000 from the National Bank of North America, giving as security 400 Consolidated Steamship Lines bonds.

On the morning of this day, the cashier testified, Mr. Morse had a balance of \$715,000 with the National Bank of North America. During the day he deposited several large checks, aggregating \$700,000, and on the same day he drew one check for \$1,300,000 to the order of A. G. Smith, the treasurer of the New York & Cuba Mail Steamship Company, and another check for \$100,000. This reduced his balance to \$6,000.

Mr. Morse said that the original company which he bought was called the New York & Cuba Mail Steamship Company of New York, and that the new one he organized was called the New York & Cuba Mail Steamship Company of Maine. He said he received the stock of the old company as he paid for it, and it passed to a trustee, the National Bank of North America, he believed. Mr. Morse said that Mr. Curtis thought Wire would turn over the profit from the deal to the bank. He said, however, that he had no conversation with Wire on the subject. The transaction was nominally for Wire.

SECURITY FOR THIS LOAN.

As the security for this loan, which consisted of 800 bonds of the Consolidated Steamship Company and 8,000 shares of the company's stock, had greatly depreciated, and the receivers were desirous of obtaining more details of the transaction, Justice Clark, of the Supreme Court, on petition of the receivers, issued an order directing that an examination be held and testimony be taken before John S. Davenport, as referee, at No. 115 Broadway.

The hearing before the referee began on December 21 last. Those summoned to appear for examination were Mr. Morse, who at the time of the loan was vice-president and a director of the National Bank of North America; Alfred H. Curtis, who was at that time president of the bank; and Edward B. Wire, then and now cashier of the bank. Neither Mr. Morse nor Mr. Curtis is at present connected with the bank, both having withdrawn because of the recent financial difficulties. Mr. Morse resigned as vice-president and a director at the beginning of the panic last October, and Mr. Curtis, who had been relegated to the vice-presidency when William F. Havemeyer became president, after Mr. Morse's retirement, severed his connection with the bank only last week.

Justice Clark's order directed the three witnesses "to submit to an examination concerning the concealment, withholding, possession, control or wrongful disposition of the property mentioned in the petition annexed." Henry L. Scheuerman and George W. Wickham examined the witnesses as counsel for the receivers.

ers. All three of the witnesses were represented by counsel.

RECEIVERS' PETITION. The receivers state in the petition that they learned that on February 15, 1907, a check to the order of E. B. Wire for \$200,000 was duly drawn by the officers of the Knickerbocker Trust Company, which check was paid through the Clearing House and was indorsed 'E. B. Wire, pay to the National Bank of North America in New York, C. W. Morse', thus showing that the \$200,000 went into the possession of the National Bank of North America.

The receivers further set forth that they also discovered that on February 15 the National Bank of North America sent to the Knickerbocker Trust Company \$200,000 and allowed the same to be upon deposit with the Knickerbocker Trust Company until October 21, 1907, "when it appears to have been withdrawn, and, as your petitioners are informed and believe, came into the possession of the National Bank of North America, whether for its own use or for the account of some one else your petitioners have been unable to ascertain."

The petitioners allege that on October 22, 1907, the day following the withdrawal of the \$200,000 from the Knickerbocker Trust Company, the acting Superintendent of Banks took possession of the assets of the Knickerbocker Trust Company. The receivers next set forth that among the papers coming into their possession "was a further note signed by E. B. Wire, purporting to have been made on February 15, 1907, but which your petitioners are informed and believe was actually made and signed on October 21, 1907, wherein Wire promised to pay to the order of the Knickerbocker Trust Company \$200,000 with interest at the rate of 6 per cent and recited the deposit with the Knickerbocker Trust Company as collateral security for its payment of the note hereinafter referred to, 800 bonds of the Consolidated Steamship Lines and 8,000 shares of the stock of the Consolidated Steamship Lines.

"Said securities deposited as collateral have only a narrow and restricted market, and, as your petitioners are informed and believe, the said stock cannot be sold for any price and the bonds have greatly depreciated, so that at the present time the security, if resorted to, is utterly inadequate except to pay only a fraction of the full amount of the loan."

The receivers add that, owing to the death of Charles T. Barney, who was president of the Knickerbocker Trust Company at the time the loan was made, it has been difficult for them to obtain information. They further say that Wire, the cashier, has said that he was not financially able to meet the note, that the loan was not for his benefit and that he did not take part in the use of the \$200,000.

MR. MORSE'S TESTIMONY. Mr. Morse testified that he recalled writing a letter guaranteeing Wire's note for \$200,000, dated February 15, 1907. He said that Mr. Barney and Mr. Curtis asked him to guarantee the loan. He said that Mr. Barney told him the Knickerbocker Trust Company would lend the \$200,000 to Wire on proper collateral. At that time Mr. Barney was a director of the National Bank of North America.

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Mr. Morse was hazy in his testimony as to whether \$200,000 was sent to the Knickerbocker Trust Company or not. He said, however, that he never knew until recently that the \$200,000 was withdrawn from the trust company. When shown a cashier's check for \$200,000 dated February 15, 1907, and drawn by the National Bank of North America to the order of the Knickerbocker Trust Company, he said that he did not give any instructions with respect to the drawing of this check. He said that the \$200,000 purchased 8,000 shares of the stock of the New York and Cuba Mail Steamship Company.

Wire testified that he recalled making the note for \$200,000 on February 15, 1907. He said that he received on its delivery to the Knickerbocker Trust Company the \$200,000. He said that the day before Mr. Curtis asked him if he would be willing to give his note to the Knickerbocker Trust Company for \$200,000 on an arrangement between Mr. Morse and Mr. Barney, at Mr. Barney's request, and he did so.

The taking of testimony before the referee was finished yesterday, and Mr. Davenport will file his report with Justice Clark at St. George, Staten Island, to-morrow morning.

FOR SOCIALISTIC INDUSTRIAL UNION.

Western Federation of Miners Behind Scheme to Form National Organization.

A movement has been started by the executive board of the Western Federation of Miners for the organization of a national industrial union, based more or less on socialistic ideas but without affiliation as a body with any political party. A call has been issued by this board for a national conference of representatives of labor unions in Chicago on April 6 to take measures for forming the new body. Special invitations were sent to the two factions of the Industrial Workers of the World and the United Mine Workers of America.

DENIES GOULD-HARRIMAN FIGHT.

Edward T. Jeffrey, president of the Western Pacific, when his attention was called yesterday to a dispatch from San Francisco saying that there had been a settlement of the points at variance between the Gould and Harriman interests, said: "Nothing is on occasion for any settlement between the Gould and Harriman interests. We are going ahead with the construction of the Western Pacific, and, of course, in such a project some difficulties in gaining rights of way must be expected. There is no fight, however, between Mr. Gould and Mr. Harriman."

COUNTRESS DE RILEY DIVORCED.

Denver, Jan. 25.—George A. Schroter, a mining engineer, obtained a divorce in the District Court to-day from his wife, a member of a noble Greek family, and formerly the wife of Count de Riley, of Greece. Mrs. Schroter arrived yesterday, and was immediately served with papers in her husband's suit. She appeared in court to-day, but made no defence to the charge of incompatibility and cruelty on which the decree was granted. The countess obtained a divorce from her former husband in Chicago on June 22, 1896, and was married to Mr. Schroter in Brooklyn on July 1, 1906. On November 2, 1906, Mr. Schroter sued in New York for a divorce, but this suit was never pressed to conclusion.

FLORIDA MIDWINTER EXPOSITION.

Jacksonville, Fla., Jan. 25.—The Florida Midwinter International Exposition was formally opened at noon to-day by a message from President Roosevelt. The message was as follows: "I take great pleasure in opening the Florida Midwinter International Exposition and in expressing the hope that the fullest measure of success may attend it. The exposition, which promises to be a great success, will remain open until April 15."



C. C. Shayne & Co. Importers and Manufacturers of Strictly Reliable FURS

Will sell during January their stock of manufactured Furs at the following very attractive prices: Seal Coats \$325.00 and up, Persian Lamb Coats \$100.00 and up, Caracul Coats, short length \$50.00 and up, Caracul Coats, 48 inches long \$65.00 and up, Pony Coats, natural and black \$50.00 and up, Pony Coats, full length \$60.00 and up. The above prices are net. Mink, Chinchilla, Broadtail and other model Coats 33 1/3% discount. Now is the Time to Buy Automobile Coats. The best selection of Fur Coats in the market at the very lowest prices for reliable goods. Our Discount Sale, as previously announced, is still in progress and affords a great saving. No Branch Store or Agents. 126 West 42d Street New York

THOMAS CASE SETTLED.

Jail Sentences Omitted in Original Rebating Suit.

Kansas City, Jan. 25.—George L. Thomas, a freight broker of New York City, and L. B. Taggart, his clerk, pleaded guilty in the United States District Court here to-day to a charge of conspiring to pay rebates to shippers. Judge Smith McPherson fined Thomas \$7,000 and Taggart \$4,000. The defendants paid their fines.

Judge McPherson took occasion to say that he believed that the firms that accepted the rebates were as guilty as the defendants and the railroads and that he had never been able to find why they had not been indicted by the grand jury. He would have liked, he said, to have had the members of these firms before him to-day, with power to pass sentence upon them. "The railroads," declared Judge McPherson, "are hounded to death with rebate seekers. They are not entirely to blame for all the rebating that has been done."

In passing sentence upon Thomas and Taggart he said: "In the full belief that the vicious practices of these defendants and the payments of rebates have been stopped, and in the belief that the practice of rebating generally over the country has been brought to an end by the vigorous action of the government through the office of the United States Attorney for this district as well as other districts, there is no occasion for the order of imprisonment."

NASSAU HOSPITAL TO BE CLOSED.

Will Not Be Reopened Unless the Managers Receive Financial Assistance.

After ten years of activity the Nassau Hospital at Mineola will be closed on February 1 for several months, and possibly longer. Percy H. Bromfield, the vice-president of the hospital association, said yesterday: "On Thursday the executive committee held a meeting to determine what action should be taken to place the hospital on a firm business foundation. We are about forty-six thousand dollars in debt, and as our institution is not endowed we cannot allow it to get deeper and deeper in debt every month. Since last June we have been running behind about \$2,000 monthly, and we do not feel that this should continue. It had been suggested that we issue bonds to be sold to the friends of the institution. We sent out circular letters asking for assistance, but about \$5,500 was all we could get."

PRINCESS ANNE HAS ROUGH VOYAGE.

Gale and Snowstorm Forced Old Dominion Liner Fifteen Miles Off Her Course. The Old Dominion liner Princess Anne, which left Norfolk, Va., for this city on Thursday at 7 p. m., and should have arrived here on Friday afternoon, docked last night after a unusually rough tussle with a gale and a snowstorm that forced her fifteen miles off her course and compelled her to run far to the southward. Considerable anxiety had been felt for her safety.

FREIGHT TRAFFIC CRISIS PASSED.

Chicago, Jan. 25.—Freight traffic conditions are recovering from the financial stringency, according to the statement of several traffic managers and other high railway officials here. The improvement is said to be particularly noticeable in the traffic of the railroads of the Middle West, where heavy grain shipments, almost suspended while the stringency in the money market was at its height, are now being made. While the statistics of all roads throughout the country for the last week showed that 399,000, or 14 per cent, of the 2,200,000 freight cars in service throughout the country were standing idle, and in consequence thousands of men had been thrown out of work, railroad officials expressed the belief that the crisis has passed and that no further reductions of the number of workmen will be necessary.

THIRTEEN MEN MISSING.

Were on Barges Lost from Tugs in Friday's Storm.

Norfolk, Va., Jan. 25.—The tug Coastwise, of the Souly Company, of New York, arrived here to-night from Providence and reported the loss of two barges with ten men on board in the storm of Friday morning off Fenwick Island lightship. The barges broke adrift during the gale, and at the time there was a blinding snow-storm. The tug, although in danger herself, cruised about for two hours in search of the barges, but failed to find them. There were five men on each barge. The vessels were light. The tug arrived short of coal.

THAW TRIAL NEAR END.

Witnesses from Europe Arrive—Jury May Get Case Friday.

Three physicians who are to testify in behalf of Harry K. Thaw arrived yesterday on the steamship Adriatic. It was their two days' delay which caused a sudden recess Friday morning. The three physicians, accompanied by two nurses, were met at the pier by employes of Mr. Littleton and rushed to a hotel before any subpoena server from Mr. Jerome's office or any reporter could get to them. They are Dr. Abrams, Dr. Weiss and Dr. Gauga, the last of whom treated Thaw in Switzerland. Mr. Jerome has called to Europe to find out something about them.

BAN ON LIQUOR FOR RAILWAY MEN.

Baltimore & Ohio Bars Use by Employees Connected with Running of Trains.

Baltimore, Jan. 25.—It was officially announced to-day that hereafter employes of the Baltimore & Ohio Railroad having anything to do with the direction or running of trains will not be permitted to use intoxicants at any time, either when on or off duty, and no person using such beverages will be sent out-to-day by George L. Fetter, the vice-president and head of the operating department. It is believed by the management of the road that this is an important step in the effort to reduce accidents to the minimum.

BEREA QUICKLY RAISES \$53,000.

Only \$147,000 Now Required to Meet Conditional Figure Set by Mr. Carnegie. William G. Frost, president of Berea College, said yesterday that \$53,000 had been subscribed since the announcement by Andrew Carnegie that, provided the college raised \$200,000, he would give an equal sum in that I terton Appalachian America. It is the largest gift Mr. Carnegie has offered any educational institution in the South, except his \$600,000 gift to Tuskegee.

DOG FASTS NEARLY A MONTH.

Mount Holly, N. J., Jan. 25 (Special).—Prince, a poodle dog belonging to Henry Burnick, of Delanco, N. J., went twenty-six days without food or water but is alive and regaining his health. On December 24 Burnick unknowingly locked the dog in a clubhouse. In his efforts to escape the animal had nearly eaten through the door. He was just able to walk when released.

Greenhut and Company Dry Goods. At all times this new store presents the distinct advantage of providing merchandise at new low prices—as the thousands who have purchased here can testify. But now in particular—just before stock-taking—the most emphatic values known to dry-goods retailing in New York are offered.

Clearance sales throughout the store—it may be well to remember that no goods of an inferior quality can find a place at Greenhut & Co. For Monday's and Tuesday's Selling:

- Fur Coats: XX quality Karakul, 48 in. long, made of full skins 55.00, XXX quality Karakul, new close-fitting back, brocade lining 75.00, XXX quality Karakul, 48 in. long, black lynx shawl collar 85.00, XXXX quality Karakul 125.00, Light-Weight Pony Coats, 25 in. 19.50, Light-Weight Pony Coats, 48 in. 65.00, Light-Weight Pony Coats, 48 in., lynx collar and cuffs 125.00

- Scarfs and Muffs: Black lynx throw Scarfs, Leipzig dyed, superior quality. At 13.50 Reduced from 25.00, Deep Russian shawl Collars, finished at end with four tails. At 22.50 Reduced from 35.00, Fancy Lynx Scarfs, Gruenwaldt model, two heads and three tails. At 25.00 Reduced from 45.00, XXX Quality Lynx Scarfs, fancy model. At 35.00 Reduced from 60.00, Open skin Lynx carriage Muffs, trimmed with heads and tails. At 25.00 Reduced from 42.50, Plain Lynx Muffs, extra size. At 22.50 Reduced from 35.00

Sixth Avenue, Eighteenth to Nineteenth Street, New York (Formerly occupied by B. Altman & Co.)

Four New Volumes of The Musicians Library. SONGS FROM THE OPERAS FOR SOPRANO, TWENTY PIANO COMPOSITIONS BY HAYDN, WAGNER LYRICS AND BASS FOR BARITONE AND BASS, BACH PIANO ALBUM Vol. I. Shorter Compositions. THE FINEST EDITIONS EXTANT. Chas. H. Ditson & Co., 8-10-12 EAST 34TH STREET

IF "LITTLE TIM" RULED THE SEA. Liners Would Be Proper and Smokeless as the Bowery, but He Doesn't. Fortunately for fair travellers on the transatlantic liners the jurisdiction of the Board of Aldermen does not extend beyond the three-mile limit. If the recent ordinance of the board restraining women from smoking in public places were in vogue on the high seas there would have been some wholesale arrests on the Hamburg-American liner America and the White Star liner Adriatic, which docked yesterday. It was said that while a steamer is a public carrier and its smoking rooms and lounges are as public as any cafe or restaurant in Broadway, it is not considered a breach of etiquette for women to smoke on board ship.

When Mrs. Gschwind went to the door to get the rolls and milk left there she noticed a white powder sprinkled over the rolls. Thinking sugar had been sifted on the food by the baker, Mrs. Gschwind placed the rolls on the breakfast table. Each member of the household ate one or more and drank some of the milk.

PERSONAL PROPERTY LESS IN VALUE. Tax Department Gives Out the Figures for This Year. The total assessable personal property, according to the tentative figures of the Tax Department of the city amounts for 1908 to \$1,213,644,110. It is exclusive of the personal property of corporations, and classified are as follows:

Table with 3 columns: Category, 1908, 1907. Resident, personal: \$260,048,016 (1908), \$264,020,277 (1907). Non-resident, personal: 136,565,055 (1908), 138,824,573 (1907). Estates, personal: 317,857,808 (1908), 408,230,825 (1907). Saxe, personal: 34,152,150 (1908), 36,885,800 (1907). Totals: \$1,213,644,110 (1908), \$1,447,011,653 (1907).

SEATTLE CAPITAL IN MEXICAN DEAL. (By Telegram to The Tribune.) Galveston, Jan. 25.—Seattle capitalists, headed by John Deland, who is here on his way to Mexico, have closed a \$5,000,000 deal for 15,000 acres of land in Tabasco, Chiapas and Campeche, Mexico, and will enter into the timber, rubber and fruit industry on a large scale. They have contracted for \$5,000,000 for delivery in the United States, and a standard gauge railroad, thirty-five miles long, will be built to Usumacinta, River.

"77" Seventy-seven for Colds and GRIP. If you will take a dose of Humphreys' Seventy-seven every day, while Grip prevails, you will escape an attack. If you already have the Grip, then Seventy-seven will cure you, and at the same time its tonicity will sustain the system and you will not have that weakness and feeling of despondency that usually follows an attack of Grip. All Druggists sell "77." Most Druggists recommend it. 25 CENTS. Humphreys' Homeo. Medicine Co., Cor. William and John Streets, New York.