

FULL B. & O. DIVIDEND

Wall Street received a surprise yesterday when the directors of the Baltimore & Ohio Railroad declared the regular semi-annual dividend of 3 per cent on the common stock.

The earnings for the year fell short of meeting the expectations of the market, and the difference was paid out of profit and loss surplus, leaving about \$18,000,000 still to the credit of that account.

The action of the directors in declaring the full dividend, notwithstanding that it was unearned, was said to have been due to the insistence of E. H. Harriman, who, it is understood, took the position that inasmuch as the company in years past had earned in excess of the annual dividend required to meet the dividend requirement at this time.

Mr. Harriman is also said to have pointed out to his fellow directors that it was probable the depression in business, which was directly responsible for the falling off in the company's earnings, would be alleviated and the earning power of the property be restored to nearly its normal level within the next six months.

Mr. Harriman's Union Pacific Railroad is one of the largest individual holders of Baltimore & Ohio stock, and the declaration of the regular dividends by the latter road was commended in Wall Street as meaning that there was little or no danger of any reduction being made in the Union Pacific or Southern Pacific dividends at the forthcoming meeting of the directors of those roads.

The declaration of the regular dividends by the Baltimore & Ohio caused a jump in the stock from 2 1/2 to 3 1/2. It eased off the close, however, to 3 1/4, a net gain for the day of 3/8 points.

Besides Mr. Harriman, the directors present at the meeting were: President Oscar G. Murray, James Stillman, James Speyer, Samuel Lee, Norman B. Bean, E. R. Bacon, Joseph R. Foard, R. R. Keyser and George P. Randolph.

Keyser said the earnings of the Baltimore & Ohio for the first six months of the current fiscal year, up to May 30, decreased over \$7,000,000, and in view of this poor showing, there was a disposition in conservative banking quarters to criticize the action of the directors in declaring the regular dividend on the common stock.

RIPLEY SEES GOOD BUSINESS. **Thinks Earnings of His Road Will Improve in Next Six Months.**

E. P. Ripley, president of the Atchafalaya, who came to this city to attend the meeting of the directors of the road on Wednesday, said yesterday that the earnings of the road were prosperous. He said: "This means that for us in the Middle West there will be some accession to business after August 1; that our earnings will be larger from August 1 to January 1 than they were for the last six months. But comparisons with the period from August 1 to January 1 of last year will show very heavy losses."

Speaking of railroad rates and wages, Mr. Ripley said: "The statement of Mr. Brown, of the New York Central, is true, viz., that if the railroads are to be even maintained in their present condition they must obtain relief either through an advance in rates or a reduction in wages. Still more is true if the roads are to resume making these improvements which public safety and convenience demand and work on which has been absolutely stopped."

"When will the people of this country begin to understand that their crying need is for better and safer railroads at lower rates? When will they realize that rates are already so low that progress has been arrested?"

Relative to Mr. Brown's advocacy of a horizontal advance of 10 per cent in freight rates, Mr. Ripley said that he did not exactly coincide with this view, but thought that the railroads would benefit to an equal extent by an advance in rates on certain commodities which the railroads are now hauling for insufficient compensation.

CREDITORS NAME TRUSTEE. **Claims Filed Against the Firm of Coster, Knapp & Co.**

Creditors of Coster, Knapp & Co., the brokerage firm that failed last April after the senior partner had shot himself, met at the office of Peter E. O'Leary, No. 65 William street, yesterday and selected William J. Long, a retired merchant, as trustee to administer the affairs of the concern. Claims amounting to about \$1,500,000 were filed against the firm, among them being those of Henry J. Braker, for \$225,000 cash advanced and \$200,000 for conversion of securities; William Littler, \$250,000 cash advanced and \$200,000 securities converted; and William Knittridge, \$100,000 for conversion of securities. Counsel for Mrs. Anthon, who has been referred to during the examination of witnesses, gave notice of a claim of \$280,000 which was filed in her behalf.

It was rumored at the meeting that the "C. C. and C. B." account on the books of the company, supposed to represent one of the late Mr. Coster's speculative accounts under a fictitious name, was a matter of fact an account carried for some of the largest creditors now pressing claims.

C. H. & D. DISMEMBERMENT UNLIKELY. **The published report that the Cincinnati, Hamilton & Dayton Railroad is to be dismembered and partitioned among several owners is regarded as unlikely by interested persons.**

BOND ISSUE APPROVED.

Public Service Commission Grants Application of Delaware & Hudson.

The Public Service Commission for the 2d District announced yesterday in an opinion by Commissioner Martin S. Decker its decision on the application of the Delaware & Hudson company for leave to execute a mortgage for \$30,000,000 to refund in 1943, and to issue \$28,500,000 of bonds thereunder. The Delaware & Hudson sought to refund practically all of its existing obligations, including three existing mortgages, one for \$5,000,000 upon the Adirondack Railroad, one for \$1,000,000 upon the Delaware & Hudson properties, and one for \$1,000,000 upon the Schenectady & Dutchess Railroad, which has also been merged with the Delaware & Hudson properties, and also including its outstanding notes, covering \$15,137,500.

The commission notes the proceeds of which were used in acquiring seventy-five thousand shares of the stock of the United Traction Company to the amount of \$4,685,295.82, stock and bonds of the Troy & New England Railway Company to the amount of \$20,853.42, and advances made to the Hudson Coal Company (a coal corporation subsidiary of the Delaware & Hudson company) amounting to \$250,000.

These items are disallowed upon the present application, the commission holding that no proof has been presented showing that they are proper subjects for capitalization under the mortgage upon the Delaware & Hudson company railroad property and without expressing any present opinion upon the question of the capitalization, states they are matters which may be brought up in a subsequent application.

Commissioner Decker holds that the same test must be applied in cases where it is sought to issue bonds to acquire property, to construct an additional line or to make improvements generally, and that test is whether the particular matter is a proper subject of capitalization.

The opinion goes on to state that, taking into consideration the large earning power of the railway properties owned or controlled by the Delaware & Hudson Company, and the excellent financial condition of that company, the minimum net price for the bonds now authorized for immediate sale and application to the discharge of the note obligations should not be less than 95 per cent of the par value on a 4 per cent interest basis, and that they should under normal conditions find ready sale at or above par.

Advances made by the applicant to companies holding the normal title of roads in Canada which are to all intents and purposes important extensions of the applicant's line, and which advances were used for the purpose of constructing the Canadian roads and in return for which the applicant received certificates of indebtedness of one of the Canadian companies, it being its purpose to merge both the Canadian companies with the stock of the Delaware & Hudson company, and the commission holds to constitute in effect the purchase price of the certificates of indebtedness of the Canadian companies, that the purchase of such certificates of indebtedness was the acquisition of property, a purpose for which the statute provides that capital may be secured, and that under the circumstances of this case, which include the full ownership by the applicant of the stock of the Canadian companies, a bond issue covering note issues used to purchase the debt certificates should be approved.

A first and refunding mortgage covering the applicant's owned and leased railway properties and trackage rights over various lines for an amount limited to \$30,000,000, to become due in 1943, is approved by the commission, subject to prescribed limitations of bond issues.

The applicant is authorized to issue under such mortgage bonds to the amount of \$30,000,000, bearing not to exceed 4 per cent interest, for the sole purpose of retiring outstanding bonds under the three existing mortgages, the terms and conditions for exchange of the new bonds for underlying bonds or for the sale of any of the new bonds to purchase any of the underlying to be first submitted to the commission for approval, provided that such exchange may be made at a premium on the old bonds by the applicant from its treasury, at any time without such approval.

An issue of bonds under such mortgage to the amount of \$13,275,000 covering certain existing note obligations of the applicant aggregating \$12,649,859.22 and an allowance of not more than 5 per cent of the par value of such bonds for the purposes of sale, is also approved.

SUBPOENA GREETS P. A. B. WIDENER. **Traction Man, Back From Europe, Wanted in Metropolitan Securities Case.**

A subpoena calling for his appearance as a witness in the United States Circuit Court in August was served on Peter A. B. Widener, a Philadelphia traction man, received yesterday when he reached New York on the White Star steamer Adriatic from Southampton. Mr. Widener is a member of the board of directors of the Metropolitan Securities Company, and he is wanted to testify in the suit brought against that company by the receivers of the Metropolitan Street Railway Company.

Franklin Trust Company

NEW YORK CITY 164-166 Montague St. Brooklyn 140 Broadway Manhattan

DIRECTORS: Edwin Packard, Robert B. Woodward, Robert B. Woodward, George H. Fehnestock, George H. Fehnestock, Henry C. Hulbert, William G. Wood, Lowell M. Palmer, Charles J. Peabody, George M. Olcott, Francis M. Jencks, Edward S. Harkness, George Frederick Victor, William B. Lane, M. D., William Allen Butler, Jr., Hugh D. Archibald, Charles Taylor Pyne, Charles A. Peabody, Edwin S. Marston, Arthur King Wood

EXECUTIVE COMMITTEE: Edwin S. Marston, Chairman, George H. Fehnestock, Charles J. Peabody, Charles A. Peabody, Arthur King Wood, President, Frederick W. Richt, Asst. Secy., Henry C. Low, Jr., Asst. Secy., Thornton Gerrish, Trust Officer

Interest Allowed on Deposits ACTS AS EXECUTOR, TRUSTEE, ETC.

Table with columns: Name, Capital, Surplus, Total Assets, etc. Includes entries for Astor, Bankers, Bowling Green, etc.

Figures as of call of June 17, 1908, and March 25, 1908. (2) Capital decreased from \$1,000,000.

CALLS IT UNLAWFUL REBATE.

Interstate Commerce Commission Orders Union Pacific to Stop Grain Allowance.

Washington, July 9.—On the ground that the allowance is unlawful, the Interstate Commerce Commission today ordered the Union Pacific Railroad Company to desist for two years from paying any allowance to Peavey & Co. on their own grain received into any of their elevators at Kansas City and Council Bluffs, or on grain that is direct payment, direct or indirect, to Peavey & Co. or to any other party.

CUT ERIE OUT OF PITTSBURGH? (By Telegraph to the Tribune.)

Pittsburgh, July 9.—It is reported here that the Vanderbilt railroad system and the Pennsylvania Railroad Company have closed a deal whereby the Erie Railroad is to be cut out of any traffic from the Pittsburgh district. The combined railroads have purchased the Lake Erie & Pittsburgh Railroad Company for \$5,000,000, of which the Vanderbilts will pay \$2,500,000.

HIGH PRESSURE SERVICE IN FIRE TEST

New York's high pressure salt water main fire tested and proved itself worth at a three-alarm fire which started yesterday morning in a stable at which it was used to test the high pressure system, and the pressure was such that it tore the woodwork from the parts of the building it struck.

NUMEROUS WESTINGHOUSE CONTRACTS.

Pittsburgh, July 9.—After lying for nearly twenty-four hours in the rear of a huge fire-damaged ship at No. 215 Bourbon street, the body of Alphonse Durel, a noted hair dresser, was found late this afternoon in a badly mutilated condition.

INSURANCE SAVES BIG LOSS.

Boston, July 9.—Practically the entire loss of \$1,500,000 caused by the fire which destroyed almost a quarter of a mile of the waterfront of East Boston yesterday will fall on the insurance companies, those taking marine risks as well as the companies which insure against fire being responsible for part of the loss under a clause in the policies which provides for merchandise for a time while at which property awaiting removal.

NOTED HAIRDRESSER MURDERED.

New Orleans, July 9.—After lying for nearly twenty-four hours in the rear of a huge fire-damaged ship at No. 215 Bourbon street, the body of Alphonse Durel, a noted hair dresser, was found late this afternoon in a badly mutilated condition.

IRVING SAVINGS INSTITUTION. 115 Chambers St., N. Y. The Trustees have declared a dividend for the six months ending June 30, 1908, at the rate of FOUR PER CENT.

The Franklin Savings Bank. Corner 8th Avenue & 42d Street. 96th semi-annual dividend has been declared at the rate of FOUR PER CENT.

UNION TRUST SAVINGS INSTITUTION. BROADWAY, 32D ST., AND 6TH AVENUE. GREELEY SQUARE, NEW YORK. Interest FOUR Per Cent.

EAST RIVER SAVINGS BANK. 250 BROADWAY, NEW YORK. The 120TH SEMI-ANNUAL DIVIDEND has been declared at the rate of four per cent per annum on all sums deposited.

BROADWAY SAVINGS INSTITUTION. 113 1/2 St. 4% PER ANNUM. Deposits made on or before July 10th will draw interest from July 1st.

NORTH RIVER SAVINGS BANK. 31 W. 34th St. bet. 5th & 6th Aves. Interest credited July 1st. FOUR PER CENT PER ANNUM.

NEW YORK SAVINGS BANK. N. W. Cor. 14th St. and 8th Avenue. The Trustees have declared a dividend for the six months ending July 1, 1908, on all deposits entitled thereto, under the by-laws, at the rate of FOUR PER CENT.

GREENWICH SAVINGS BANK. 5 E. Cor. 8th Ave. and 16th St. INTEREST AT THE RATE OF FOUR PER CENT. 4% PER ANNUM will be credited to depositors for the six months ending July 1, 1908.

CITIZENS' SAVINGS BANK. 66 AND 58 BOWERY, COR. CANAL ST. 96TH SEMI-ANNUAL DIVIDEND. The Trustees have ordered interest at the rate of FOUR (4) PER CENT.

THE BERLITZ SCHOOL OF LANGUAGES. Harlem Branch, 745 Lenox Ave. BROOKLYN BRANCH, 375 CORTLANDT ST.

RYE SEMINARY. For particulars apply to Mrs. S. J. LIFE, The Misses STOWE, Rye, N. Y.

AMERICAN AND FOREIGN TEACHERS' AGENCY. Supplies Professors, Teachers, Tutor, Government, etc. to Colleges, Schools and Families. Apply to Mrs. M. TOTTING, 111 E. 23rd Street, New York.

SURROGATES' NOTICES. IN PURSUANCE OF AN ORDER OF HON. CHARLES J. BECKETT, a surrogate of the County of New York, notice is hereby given to the creditors of the late of Mrs. M. J. PALMER, late of the County of New York, deceased, to present the same, with vouchers therefor, to the office of Beckett & Lang, No. 59 Nassau Street, Borough of Manhattan, City of New York, on or before the 14th day of October next.

LOOKING FOR A SCHOOL OR CAMP? YOU CAN FIND THE SCHOOL WANTED by writing School Agency, 530, 41 Park Row, New York.

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Notice of Summons. SUPREME COURT, NEW YORK COUNTY—ADA D. L. HARRIS, Plaintiff, vs. Joseph H. Headley, Cyrus Frank J. Headley, Defendants. Summons with Notice.

Notice—Take notice, that upon your default to appear and answer to the above summons, the same will be taken against you for the sum of twenty-five thousand one hundred forty-three and 50/100 dollars, with interest thereon from March 19, 1908, and costs of this action.

NEW YORK SUPREME COURT, COUNTY OF NEW YORK—Gerald Hill Gray, as trustee of the property of the County of New York, vs. Joseph H. Headley, Defendant. Summons—To the above named defendant, you are hereby summoned to answer the complaint in this action and to serve a copy of your answer on the plaintiff's attorneys within twenty days after the service of this summons, exclusive of the day of service, and in case of your failure to appear and answer judgment will be taken against you by default for the relief demanded in the complaint.

NEW YORK SUPREME COURT—Plaintiff vs. Defendant. Plaintiff desires that the County of New York be appointed guardian of the person of the defendant, and that the defendant be committed to the custody of the County of New York, at the County Court House, in the Borough of Manhattan, in the City of New York.

NEW YORK SUPREME COURT—Plaintiff vs. Defendant. Plaintiff desires that the County of New York be appointed guardian of the person of the defendant, and that the defendant be committed to the custody of the County of New York, at the County Court House, in the Borough of Manhattan, in the City of New York.

Public Notices. ATTENTION IS CALLED TO THE ADVERTISEMENT IN THE CITY RECORD OF July 8 to 22, 1908, of the confirmation by the Board of Assessors and Assessors of assessments for LOCAL IMPROVEMENTS in the Borough of Queens.

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PROPOSALS FOR MISCELLANEOUS RAILWAY SUPPLIES. Office of Assistant Purchasing Agent, Panama Railroad Company, 24 State Street, New York, July 9, 1908.

PROPOSALS FOR BALLAST CARS. OFFICE OF Assistant Purchasing Agent, Panama Railroad Company, 24 State Street, New York, July 9, 1908.

LOWER WATER PIPE—PORT WOOD, N. Y. The water pipe at this point will be received here until 10:45 A. M., August 3, 1908, and then opened.

FORECLOSURE SALE. SUPREME COURT, NEW YORK COUNTY—Hamilton Bank, Plaintiff, vs. Linder et al., Defendants.

NOTICE IS HEREBY GIVEN THAT THE ESTATE OF James H. Breslin has been placed in the hands of a Receiver, to be appointed by the County of New York, at the County Court House, in the Borough of Manhattan, in the City of New York, on or before the 14th day of August, 1908.

INSTRUCTION. For Both Sexes—City. THE BERLITZ SCHOOL OF LANGUAGES.

RYE SEMINARY. For particulars apply to Mrs. S. J. LIFE, The Misses STOWE, Rye, N. Y.

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