SOUTH AMERICA.

Riot Between United States Sailors and Negroes at Aspinwall.

REVOLUTION IN BOLIVIA.

INDIAN WAR IN CHILE.

FINANCIAL TROUBLES IN PERU.

The Pacific Mail Steamship Company's steamer Rising Star, Captain King, from Aspinwall January 28, arrived at this port yesterday. The following is her treasure list:—

Duncan, Sherman & Co.	$60,051
Eugene Kelly & Co.	54,000
Dabney, Morgan & Co.	56,055
Lees & Waller	553,000
Fred Probst & Co.	13,600
Isaacs & Ash	800
Total	$737,506

COLOMBIA.

The Troubles on the Isthmus—Gloomy Condition of Affairs—Riot Between United States Sailors and Jamaica Negroes—A Sailor Killed.

PANAMA, Jan. 28, 1869.

The vexed tax question is at length settled, at least for the present year. The merchants held out and refused to pay a cent more than they paid last year, which was exorbitant enough, and the government, after first bullying and then pleading poverty, finally concluded it wiser to back down than to push matters to a crisis, and accepted the proposition to receive $60,000 instead of the $100,000 at first demanded by the Legislature. Of course, if the latter had any showing of justice on their side they would have held out for the last dollar. The government, it seems, intends, however, to enforce the full tax on the Aspinwall merchants, who are not quite so strong as here, but quite as resolute. They will refuse to pay, and their goods will probably be sold at auction next Monday. The United States Consul at that port is acting in the matter and has a lawyer on hand to make the necessary protests.

The Legislature has at length passed some laws relative to the disposition of dead bodies. Article seven provides that no bodies shall be interred until twelve hours after death (but shall not be kept uninterred longer than thirty hours) except in cases of contagion. According to article ten it seems we are to have coroners' inquests in future which will be something new in Panama, as hitherto no investigation has ever been made into the cause of death, no matter under what circumstances it occurred. I fear, however, the law will prove a failure, as when a man is dead the authorities do not want the bother of finding the cause, seeing that would not bring him to life again.

The thieving Governor and soldiers have at length been recalled from Chiriqui after stealing pretty nearly everything that could be stolen in that unlucky department. There being nothing left to steal peace is at length restored for the present.

In Panama we still support a national and State army with which to keep up our combined pride and poverty. Rusty muskets and half starved, lazy soldiers are all we can show in return for forced loans and exorbitant taxation. Heaven only knows what is to become of us finally. We cannot either govern or take care of ourselves, and none of the world's poorhouses appear desirous of taking charge of such a set of paupers. Some people talk still of asking the United States to shelter us, while others clamor for a separation from the national government, so that the State may get the railroad subsidy of $250,000, which it has been so unjustly deprived of. One thing is evident, the State is impoverished now and its resources so wasted that it cannot possibly raise the means of supporting itself another year, even if we have peace, which we will not; so the sooner a change occurs the better. Anything will be preferable to its present misery.

The following United States vessels-of-war were in the harbor of Aspinwall last week:—Steamers Penobscot, Lieutenant Commander Eastman; Yantic, Commander Abbott; Nipsic, Lieutenant Commander Selfridge; Tallapoosa, Master McRitchie. The United States steamer Tuscarora, from Callao, arrived at Panama on the 21st inst.

The Penobscot sailed from Aspinwall on the 27th for Cuba. The Tallapoosa is ready to sail for the States.

On the evening of the 22d inst. a serious row occurred between some sailors from the United States ship Tallapoosa and a number of Jamaica negroes at Aspinwall. The origin of the quarrel was drunkenness on the part of the sailors, who should have been kept on board their ship instead of getting liberty in such a place in the evening.

The Tallapoosa was lying alongside of the Railroad Company's wharf taking in coal, and after work some fifteen or twenty of the men went on shore on liberty and got drunk and disorderly, when an attack was soon after made upon them by about 200 Jamaica negroes, who made a free use of stones and bottles and who succeeded in killing one of the sailors by pounding his skull in with a champagne bottle. The murdered man had nothing whatever to do with the row, and was perfectly sober and endeavoring to get on board the vessel when he was attacked and brutally killed.

We had a very fine eclipse of the moon last night (the 27th ult.), which commenced about eight o'clock. About half the moon's disc was covered. The night was beautifully clear and the eclipse was seen to great advantage.

BOLIVIA.

Troubles in the Country—Arbitrary Arrests and Executions—Breaking Out of a Formidable Revolution—Military Movements.

LIMA, Jan. 10, 1869.

A species of reign of terror has commenced in the unhappy republic of Bolivia, and very general fear is entertained of serious results. It is known that a determined opposition has been shown to the treaty of limits recently celebrated between Bolivia and Brazil. Protests against this wholesale robbery of Bolivian territory have poured in from every quarter, and a few weeks since a Mr. Santos, a prominent merchant residing near La Paz, who had made himself conspicuous by his bold stand against the government, was seized by Melgarejo's troops, carried to the capital and shot before his family knew even of his disappearance. His wife and children begged that the body might be restored to them to be decently interred; but this request was brutally refused, with the answer that no respect should be shown to the memory of conspirators or seditious persons. The feeling of indignation excited by this execution is very general throughout the republic; but, as Melgarejo has the army perfectly under his control, there is no possibility of securing his downfall. Nevertheless there probably will be numerous attempts at revolution.

Later intelligence informs us that on the 17th a serious revolution broke out in the city of Sucre, the capital of Bolivia, Melgarejo being absent in La Paz at the time with his army. The movement was induced by the cruelty of the execution already referred to and by the general dissatisfaction existing in regard to the Brazilian treaty. The insurgents appear to count upon the almost unanimous support of the city of Sucre, and public opinion throughout the republic seems to be in their favor. Melgarejo, on learning of the revolt, immediately despatched the Minister of War with troops to the scene of operations, but at last advices the government forces had not reached the rebellious city. It is confidently asserted that he fears leaving the encampment of the army at La Paz, lest during his absence a general rising should take place; yet he has issued proclamations declaring all the guarantees prescribed by the constitution suspended, and giving to his officers absolute power to act as circumstances may require. The danger and enormity of this proceeding will be understood when the ignorance and ferocity of the Bolivian soldiers are considered. He also threatens the rebels with all species of torment and punishment if they should fall into his hands, but, at the same time, is evidently impressed with the idea, judging from the preparations being made, that the suppression of the revolt will be no child's play. The rebels adopt as their standpoint the constitution of 1861, and have named as President Dr. Lucas Mendoza de la Tapia, who was President of the Cabinet at the time that instrument was overthrown. It is difficult to foresee the termination of this movement, as we have received no reliable intelligence concerning the forces at the command of the insurgent party; but it is positively known that the mass of the people are thoroughly opposed to Melgarejo, who has destroyed his popularity by his cession of Bolivian territory to Brazil, by his decree imposing heavy poll taxes on all classes without distinction, and by his recent arbitrary arrests and cruel executions. There is no doubt, however, that Melgarejo is a good soldier, and his bravery is beyond question; but in South America no general can place unlimited confidence in his troops, and they are always open to the highest bidder. By the next steamer, now expected, more intelligence will be received.

The last news informs us that the troops of the government have obtained two successes over the revolutionary forces, the first in the city of Potosi, where, on the 24th ult., a fierce street fight took place, resulting in the dispersion of the rebels, and the second in Torata, where the government also secured the victory. The insurgent forces, however, have been united in the city of Cochabamba and are daily receiving reinforcements. Melgarejo was preparing to march upon that city at the head of his army, and it was supposed that the result of the combat would be decisive. In spite of the reverses suffered by the revolutionists, it seems that the opposition to President Melgarejo gains ground every day, and to add difficulties to the situation the Indian peons in many districts of the Department of La Paz had risen in open insurrection against their employers, and were commencing a war of castes with every description of cruelty and barbarity. Melgarejo has now great need of that lucky star of whose favors he so often boasts, for the country in general is decidedly antagonistic to him. By the next steamer from the South we will receive details of the state of affairs.

CHILE.

Political Matters—Indian War.

VALPARAISO, Jan. 3, 1869.

Political matters in this republic are still attracting a very large share of the public attention, and the dissatisfaction against the government is rather on the increase. When Mr. Amunategui was named Minister of the Interior it was generally considered that the appointment was made in deference to the opposers of the government, and from the programme announced by the new Minister the liberal party derived the most lively satisfaction. The great reforms, in the electoral system principally, which have been the subject of so much discussion, were promised the immediate and favorable attention of the government. A change was to be made in the guidance of the foreign affairs of the republic, and in general the blind policy followed hitherto by the administration was to be changed into a most liberal and progressive one. But all of these pleasing projects are still unperformed, and it is supposed that they were announced with the simple purpose of gaining time for the government, and of making head against the formidable opposition that threatened all manner of dangers to the administration. However, it is now understood that the Minister of the Treasury, whose connection with the Church party has greatly retarded any progressive movement in the Cabinet, is about to resign, and from this opportunity Mr. Amunategui may be able to push forward the projects he so loudly proclaimed.

The accusation against the Supreme Court has lost all of its importance and is merely continued in order to let it die a gradual death. All sorts of counter accusations have been made and in such number that the principal accuser has become the chief defendant.

In other respects the country is quiet, progress is constantly being made in all material matters, and business depends in Chile so little upon the action of the government that these petty squabbles have but little effect upon its well being and advancement.

The Indian troubles on the southern frontier have become quite interesting from the activity of the operations on both sides. General Pinto, the commander of the government troops, made a foray into the enemy's country on the 14th December and succeeded in dispersing a large force of savages near Choque-Choque, capturing a number of prisoners and destroying the Indian villages in that neighborhood. The Indians had time, however, to drive off large herds of cattle which they had stolen from the settlers, and the results of the expedition were on this account not so complete as were to be desired. A body of the savages a few days afterwards penetrated in the disguise of Chilean troops into the settlement of Huequen, a block house and village near Angol, and although finally defeated succeeded in inflicting considerable damage. The Minister of War has directed the construction of a new line of forts on the frontier, and expresses his determination to force the war to a speedy close, a determination which, though highly laudable, will not be easily realized, since it has always been found impossible to send large bodies of men into the Indian country, while the savages are continually making isolated and distinct attacks on the comparatively unprotected villages of the white settlers.

Grand preparations are being made here for the reception of the squadron bringing from Peru the remains of Grand Marshal O'Higgins. In Santiago, where the body will be interred, the programme of the performance is very imposing. The government is also thinking about erecting a statue to Admiral Cochrane, another of the heroes of Chilean independence. Republics are ungrateful proverbially, but this one in particular is showing an honorable exception to the rule.

PERU.

Deplorable Condition of the Finances—Military Affairs—Peace with Spain—Diplomatic Appointments.

LIMA, Jan. 14, 1869.

The finances still continue in a most deplorable condition. Congress has approved of the budget, which shows an estimated deficit of 18,000,000 of soles in the operations of the next two years. Enough money has been procured from the guano companies to carry on the administration for the ensuing three months, and after that time new loans must be effected. Congress has taken one step in the right direction, in refusing to pay the bonds issued by revolutionary chieftains, who have always held to the custom of raising money on bits of paper payable by the State on the success of their schemes, at an interest and rate absolutely ruinous. This excludes the bonds issued by Balta and Canseco in the late revolt, and although a measure likely to produce trouble is certainly worthy of praise.

Colonel Balta gave a striking instance of his determination not to suffer any attempts at revolution to go unpunished at a review of the first battalion held in Lima some days since. The colonel of the regiment informed him that there were two officers in the corps who loudly expressed their discontent and enmity towards the present government, and begged the President to take some steps concerning their reproval. Balta ordered a file of soldiers out, with fixed bayonets and charged muskets, and then assembling the officers of the battalion desired the offenders to make themselves known. This they instantly did, and the President, after having asked them if their sentiments were antagonistic to him, and being answered in the affirmative, inquired if they desired to continue in the same opinion. They replied again affirmatively, and immediately orders were given to remove their epaulettes and dismiss them from the regiment, the President remarking, at the same time, that he considered it highly dishonorable for any soldier to be plotting against the government from which he received his pay and which he had pledged himself to support, and that he would tolerate no such subordinates.

We will soon have a telegraph line, partly land and partly submarine, laid between Lima and Panama, thus reducing the time between New York and Lima eight days. This government has given $300,000 to a Peruvian company formed to extend lines throughout the republic, and the government of Ecuador has already taken active steps in the same direction, a ship having been chartered in Guayaquil to convey the material to the coast. The line can be laid for a trifling cost and will no doubt prove profitable, aided as it will be by subventions from both governments and possibly by those of Colombia and Chile. The Peruvian company I have referred to have laid nearly 300 miles of wire since January, 1868, and are pushing their lines forward in all directions. The railways projected and being built in the country are also progressing very satisfactorily, and the government is anxious to give every support to this species of material advancement.

Your correspondent is reliably informed that the offer of mediation made by the government of the United States to Spain and the allied republics of the Pacific has been accepted by the belligerents. For some time past the Ministers of Chile and Bolivia resident in Lima have been holding conferences with the Secretary of Foreign Affairs upon the subject, and it is well known that the only reason this proposition was not accepted when made nearly two years ago was the disinclination on the part of Chile to conclude peace before she had an opportunity to wipe out the Valparaiso outrage. Now, however, she enters into an agreement to send plenipotentiaries to Washington for the purpose of arranging first an armistice, and then to treat with Spain regarding a lasting peace. The armistice will be concluded on the condition that hostilities cannot be renewed by either of the contracting parties until a notification of two years' length has been given. It certainly is time that the present paper war should be settled, and the success of the mediation of the United States is due, in a great measure, to the efforts of the Minister from Ecuador, which country suffers more than her allies from the existing state of things.

Mr. Garcia, who has so long and so ably represented Peru in the United States, is to be relieved by Colonel Manuel Freyre, who has recently been Minister to Bogota. This change is attributed to the desire of the government to employ Mr. Garcia here in some important affairs, since with the departure of the Peruvian monitors from American waters there are no weighty matters before the Peruvian Legation in Washington. Dr. Benigno Vijil has been sent to Chile as Chargé d'Affaires, to relieve Mr. Moreyra, who goes to Bolivia. It is rumored that Mr. Barrenechea, the present Secretary of Foreign Relations, will shortly be named as Plenipotentiary to France and England.

Congress has referred the project of a mixed commission for the arrangement of American claims on Peru to the Committee on Foreign Affairs, and it is probable that the matter will be specifily and satisfactorily disposed of. The Legation here has been unremitting in its efforts to procure a settlement of these claims, which, though not so important as those originating from the Alabama's cruise, are still of a character equally grave and weighty.

THE NEW STEAMSHIP CITY OF BROOKLYN.

The new steamship just added to the Inman line, and named the City of Brooklyn, is now loading at Liverpool for her first voyage across the Atlantic. In recognition of the compliment paid by the company to Brooklyn in naming this splendid vessel Mayor Kalbfleisch will present a beautiful flag, the gift of the municipality, to the City of Brooklyn on her arrival. The ceremony of the presentation will be witnessed by a large number of citizens and gentlemen interested in the Inman line.

NEW YORK CITY.

THE COURTS.

UNITED STATES DISTRICT COURT—IN BANKRUPTCY.

The Rights of Mortgagees of Leases in Bankruptcy.

Before Judge Blatchford.

In the Matter of Henry Watts, a Bankrupt.—Edwin James presented a petition by Mr. John McCaffill, alleging that he was the mortgagee of a lease granted to the bankrupt; that a sum of $3,400 was due to him, with interest, and praying that the assignee might be ordered to elect whether he would take such lease and pay the petitioner the sum due to him, or sell the lease and out of the proceeds pay his debt. The Court held that such an order could not be made except on the application in the first instance by the assignee, and then upon establishing under rule twenty that such a proceeding was beneficial to the estate.

SUPREME COURT—CHAMBERS.

The Central Railroad Litigation—The Injunctions Restraining the Issue of Stock on Convertible Bonds and the Payment of Dividends on "Overissues" of Stock Dissolved—The Interest Certificates Declared Valueless.

Before Judge Ingraham.

Isaac N. Jenks vs. The New York Central Railroad Company.—Judge Ingraham yesterday, about noon, rendered a decision in this anxiously looked-for matter, as follows:—

Jenks vs. The New York Central Railroad Company.—The injunction in the first and second orders are vacated and dissolved. The injunction in the third order, restraining the payment of dividends on the interest certificates, is continued and such payment forbidden until the further order of the Court. Costs to abide event.

The original opinion which accompanied the decision, and which was, of course, most anxiously looked for by all parties interested, as it was expected that it would define the status and value of Commodore Vanderbilt's new scrip, known as "interest certificates," was taken from the court by one of the plaintiff's counsel, and it was nearly four o'clock before any of the reporters could obtain it for the purpose of copying it for their respective journals. Of course, the ostensible purpose was "copying it;" but it was an original document, filed with the clerk, and should have been copied in the court if anywhere. Its importance to the "stock-broking fraternity" was very great, and the opinion, when returned to the court, was found to read as follows:—

INGRAHAM J.—An injunction was granted in this case, restraining the defendants from issuing or permitting to be issued any certificates of stock upon the surrender of any convertible bonds or in any other manner representing or purporting to represent shares of stock in the capital of the company; also from accepting the surrender of any convertible bonds of the company and from transferring or permitting to be transferred on its books any shares of stock originally issued on the surrender of such bonds; also from paying any dividends upon any shares of stock issued in excess of the amount of the original capital, or from permitting any votes on such stock. This was issued December 4, 1868. Afterwards, on a supplemental complaint, an order was made requiring the defendants to show cause why the injuction of December 4, 1868, should not be enlarged and extended, so as to prohibit the defendants from issuing any certificates or other evidence of indebtedness, or making any dividend of stock issued in excess of the original capital, and that order restrained the defendants from issuing any such certificates or making any such dividends. This order was made on the 21st of December last. Afterwards, on the 2d of January, another order was made, requiring defendants to show cause why an injunction should not be further granted restraining the defendants from issuing any interest certificates or other evidence of debts to or among the holders of certificates of stock, and from accepting the surrender of any interest certificates, or from permitting the transfer upon the books of the company of any such certificates already issued, and from paying any interest, cash or other dividends upon any of such interest certificates. This last order was made upon a supplemental complaint, which set out the resolutions adopted by the defendants on the 19th of December, 1868, which, after reciting that the company had expended in the construction and equipment of the road an amount equal to eighty per cent on the capital stock, and that the stockholders were entitled to evidence of such expenditure and to reimbursement, resolved that a certificate, signed by the president and treasurer of the company, be issued to the stockholders, declaring that such stockholder is entitled to eighty per cent of the amount of the capital stock held by him, payable ratably with the other certificates issued under this resolution, at the option of the company, out of its future earnings, with the dividends thereon, at the same rates and times as dividends shall be paid on the shares of the capital stock of the company; and that such certificates may be, at the option of the company, convertible into stock of the company whenever the company shall be authorized to increase its capital stock to an amount sufficient for such conversion. There was passed at the same time a resolution declaring a dividend of four per cent, payable upon the stock of the company, and upon the certificates then authorized to be issued. Under these resolutions the certificates were issued on the day of the passage of the resolutions. The certificates stated that the holder was entitled to —— dollars, payable ratably with the other certificates issued under said resolution, at the pleasure of the company, out of its future earnings, without dividend thereon, at the same rates and times as dividends shall be paid upon the shares of the capital stock of said company.

Three questions are presented for discussion on this motion, viz.:—First, whether the defendants had authority to issue bonds convertible into stock at the pleasure of the holders? Second, whether they had any power to issue the certificates above referred to as a dividend to the stockholders? Third, whether the company can declare a dividend on such certificates? The questions all present inquiries of much importance to persons holding stock in railroad companies in this State and are worthy of serious examination. First, the power to issue convertible bonds depends upon the construction to be given to the act authorizing the formation of railroad corporations, passed April 2, 1850. That act requires that in forming the corporation articles of association should be signed, which, among other provisions, should state the number of shares of which said capital stock should consist. This was to be done previous to the formation of the corporation. After the corporation was so formed it was then vested with the powers incident to corporations and various others specially named in the twenty-eighth section of that act. In the tenth subdivision of the section authority is given "from time to time to borrow such sums of money as may be necessary for completing and finishing or operating their railroad, and to issue and dispose of their bonds for any amount so borrowed, and to mortgage their corporate property and franchises, &c., and the directors may confer on any holder of any bond issued for money borrowed as aforesaid the right to convert the principle due or owing thereon into stock of said company at any time not exceeding ten years from the date of the bond." The authority to issue these bonds is absolute for the purposes stated, and the right to convert into stock is authorized to be given in the bond without regard to any action of the board for increasing the capital stock. The act provides for subscribing for the whole capital stock, and it allows that capital to be increased by the stockholders for certain purposes—viz., for constructing and operating the road—but not for paying debts previously contracted. It may well be doubted whether the corporation could increase the capital stock for the purpose of paying off its debts; certainly it could not for the purpose of making a dividend. The authority to issue bonds is given for the purpose of borrowing such money as would be necessary for completing, finishing or operating the railroad, and when issued for that purpose the bonds may be converted into stock. There is no limitation on the conversion of these bonds into stock to be authorized by the stockholders. The time in which it may be done is ten years from the date, and the true construction of this sentence is to vest in the holder of the bond the right at his pleasure to convert into stock of the company, whether the original capital is full or not and without any further increase by the stockholders for that purpose. The right of conversion is given to add value to the bonds and to make them more easy of negotiation. Such, however, would not be the effect if the exercise of this right was made dependent upon the pleasure of the stockholders, either to increase the stock or to refuse such increase. I think there can be no doubt as to the power of the board of directors to issue bonds for the purposes stated, and to give the right to convert the same into stock, without any action of the stockholders on the subject. Such issue of bonds, however, should only be made for the borrowing of money for completing, finishing or operating the road, and if resorted to for the purpose of increasing the capital stock, or any other purpose not contemplated by this section, the same would be illegal and void. It appears from the complaint and answer that the amount of convertible bonds issued by the company was $2,537,000; that such bonds were issued for borrowed money, which was necessary for completing and finishing or operating the road; that most of such bonds were converted before the present Board of Directors were elected; that when such bonds were issued they were sold at a premium of $90,000 above par, and the whole amount received was expended for the benefit of the company. The remaining item of stock issued was $914,400, which by the answer appears to have been issued on account of railroads held under lease in exchange for stock of such roads. This is authorized by the acts of 1855 and 1867. These acts fully authorized such issue of stock without any action of the stockholders. The same appears to have been done in conformity with the provisions of the statutes before referred to, and for both classes of stock so issued the company have received full and adequate compensation. There is, therefore, no ground upon which the issue of any of this stock can be contested, and the injunction on this account cannot be continued. The second inquiry is whether the company has power to issue certificates such as were issued in this case as dividends to the stockholders. If this certificate is to be considered as a mere certificate of the interest which the stockholders had in the property of the corporation, there can be no objection to its being issued. It would be a harmless document, creating no debt and imposing no obligation, and in fact giving no right which the stockholders did not possess without it. The railroad and all its property and franchises belong to the stockholders, and each one has a share in such property proportionate to the amount of stock held by him, irrespective of the question whether such property is worth more or less than the amount of the capital stock subscribed for, and such a certificate neither increases nor diminishes the actual wealth of the stockholder. The statement that it is payable out of the earnings of the company at their pleasure also seems to reserve the entire action in regard to payment, so that it could not be enforced at any time except by the will of the directors. To this extent there is nothing creating any liability or imposing any obligation on the company. There is no authority in the statute authorizing these corporations to issue any evidences of debt or to incur any debts except for the purpose of completing, finishing or operating a road. No such authority exists for making dividends; nor can any such scrip be issued creating a debt for which the company can be held liable for the purpose of distribution among the stockholders. Any one who purchases such scrip must take it without any legal right to enforce payment, and its character is such as not to make any assignee a holder for value or entitled to protection. As evidence of indebtedness it could not be enforced if it was not issued for one of the purposes stated in the statute. Giving it the effect which the defendants' counsel claimed for it—viz., a certificate of the amount of past earnings, appropriated to the purposes of construction, and not a certificate of indebtedness—it becomes immaterial whether such a certificate be issued or not; and if, on the other hand, it should be considered a certificate of indebtedness the peculiar position of the company in relation to it is such as to render an injunction as to the issue of the small comparative amount not already delivered unnecessary. So large a portion of these certificates have been delivered to the stockholders that a prohibition against the issue of the balance to those stockholders who have not yet received them would not be productive of good either to the plaintiff or any other stockholder. The great delay of the plaintiff in procuring the last injunction might almost be construed into an implied assent on his part to their delivery after he knew of the passage of the resolution to issue them. The objection to the passage of these resolutions by the board, that no notice of the meeting had been given to two of the directors, has been urged to invalidate them. One of the directors, Mr. Stone, is out of the country. It cannot for a moment be supposed that such absence can be a good reason to deprive a board of its powers. If so any director, by wilfully absenting himself from this country, could prevent the meetings of the board and perhaps cause loss or ruin to the corporation. When a director so leaves the country he puts it out of the power of the board to give him notice of its meetings, and their acts without him are valid. As to the other (Mr. Joy), he had informal notice of the meeting and of its object. He expressed his assent to the measure, and stated he could not be present and wished the board to act without him. I think this was a sufficient notice. He explained his intended absence, and having no objection to the measure he did not wish any further notice of the meeting. Nor do I think the suggestion that these certificates were issued for a much larger amount than was justifiable from the actual condition of the company renders it necessary to enjoin the issue of the portion which has not been delivered. There is certainly a great difference between the estimated amount of profits upon which the issue of certificates was based and the statement contained in the annual reports of the company to the Legislature from year to year, and it may be supposed that the board for the time being which made the report was best acquainted with the amount of profits received and the amount applied to construction. To include the amount expended for necessary repairs or interest on the amount expended for new work would hardly be proper if this was to be considered a dividend of profits. I do not, however, deem it necessary to examine this branch of the case, because I am of the opinion that an injunction is not called for under the circumstances above referred to against the issue of the balance of these certificates not yet delivered. The third inquiry is whether the defendant can legally pay dividends on such certificates. By the resolution adopted they declared a dividend upon the certificates before they are issued, and the certificate itself proposes to give to the holder of it the same dividend that shall be paid upon the shares of the company. It is a well established principle in regard to corporations, as before stated, that the road and all its property belong to the stockholders. It is equally well settled that they have a right to the profits arising from the earnings of the road. I know of no authority which authorizes the directors of the road to declare a dividend, except upon the stock, or to any person except the stockholders; and if the holder of such scrip can be entitled to receive the same dividend as the stockholder it becomes of the same value and diminishes to the same extent the value of the stock. It is said that the stockholders are not injured, because each one receives a proportionate amount in scrip, and therefore he receives the same as if the whole dividend was made upon the stock. This would be true as to the present dividend; but when the scrip and the stock become separated and the earnings of another year are to be divided, then the stockholders, who are legally entitled to all the earnings of the company after payment of the necessary expenditures, would be deprived of that portion of such earnings as was paid as dividend on these certificates. Although the present stockholders might take their certificates and receive the dividend upon them without affecting their interests, still when such certificates are sold and separated from the stock and other persons become stockholders they have a right to claim the profits of the corporation as the property of the stockholder, and not of the scripholder. It would be no answer to them to say that they purchased with knowledge of the issue of the scrip, and were therefore bound by its conditions, if the terms on which such scrip was issued were illegal. The Railroad act evidently contemplated no dividend except upon stock, for it requires an annual return of the amount paid for dividends on stock and the rate. It nowhere makes provision for a dividend to any other person, and requires a full return of all earnings and of all payments during the year. If dividends can legally be paid on such scrip, then the scrip becomes equally valuable with stock, being transferable on the books as stock and entitled to the same share in the profits of the corporation. It would possess all the attributes of stock except the right of the holder to vote for directors. If such an arrangement can be sanctioned the law regulating the mode of increasing the capital stock becomes a nullity. I am unable to see any ground on which the payment of dividends on this scrip can be sustained. It is a violation of the provisions of law regulating corporations; it takes from the stockholders rights which belong exclusively to them by introducing a new class not recognized by the law, entitled to the same dividends as the stockholders, and thereby diminishing the income from the earnings of the company, to which they are justly entitled. I have been unable to find any authority for the establishment of any such class entitled to dividends. The plan proposed, of an application to the Legislature for authority to convert the scrip into stock, would, of course, relieve the difficulty which exists on this point; but until such a law is passed I see no authority for paying any dividends on this scrip or depriving the holders of stock of all the profits of the company which are divided by the Board of Directors. The application of these views to this case will render necessary a dissolution of the first and second injunctions, and all of the third, except that portion which restrained the payment of dividends on the interest certificates, and the injunction is continued prohibiting the payment of dividends on those certificates until the further order of the Court.

SUPERIOR COURT—GENERAL TERM.

Appeal.

Before the full Court.

Martha Barker vs. H. A. Peck et al.—This was an appeal from a judgment entered into in favor of the plaintiff. The action was originally brought to recover $10,000 for injuries sustained by reason of defendant's negligence. On the 10th of March plaintiff was crossing Forty-first street, at Third avenue, when defendant's employé, James Gormely, drove over her. In consequence her leg was broken. The case was tried before Judge Jones, and a verdict for the plaintiff was returned for the sum of $2,853.

The Court reserved decision.

SUPERIOR COURT—TRIAL TERM—PART I.

Action for Alleged Negligence.

Before Judge Monell.

Betsy Sullivan vs. Henry Herman and Adolph Herman.—This was an action brought to recover the sum of $3,000 under the following circumstances:—The plaintiff was employed by the defendants at the rag assorting establishment No. 48 Fulton street. On the 28th of March, 1868, the plaintiff was engaged on the second story of the building preparing a bale of rags, near which was a hatchway, closed. Plaintiff alleges that while she was at work the hatchway was opened without her knowledge, so that when she stepped back she was precipitated to the ground floor below, in consequence of which she sustained severe external and internal injuries. The defence set forth was that of contributory negligence on the part of the plaintiff.

The case was not concluded.

SUPERIOR COURT—PART II.

There will be sixty causes on the day calendar for Monday. The first fifteen will be called for trial, and the others simply to ascertain what disposition counsel desire to make of them.

COURT OF GENERAL SESSIONS.

Before Recorder Hackett.

Alleged Arson.

After some preliminary matters were disposed of, Frederick Baden, who was jointly indicted with Joseph Roll, was placed on trial charged with arson. Roll pleaded guilty at the December term to arson in the third degree. Sentence was postponed until there was some disposition made of this case. The prisoner was charged with being an accessory before the fact.

Assistant District Attorney Hutchings opened and conducted the case for the prosecution and examined a number of witnesses. It appeared from their testimony that Baden kept a lager beer saloon at the corner of Fiftieth street and Ninth avenue; that on he night of November 25, 1868, an officer saw the premises on fire and gave the alarm to two or three families who occupied apartments over the saloon, some of whom had to run into the street with their children to escape the devouring flames. The captain of the precinct and three of his officers went into the saloon and found not only a bundle of kindling wood saturated with kerosene, but discovered that the fluid had been poured on the counter and that a separate fire had been burning in a small bedroom adjoining the barroom. Catherine Taylor, Sarah Helt and Mary Taylor—occupants of the apartments over the store—described how they were asleep and heard the alarm of fire, and stated in addition that when they were returning from the police court Baden said, "We did not mean to burn anything but the store."

Fire Marshal Brackett, who reached the defendant's place shortly after the fire, made an examination and came to the conclusion that the fire was the work of an incendiary. He proceeded to "work up" the case with great care and industry, and all the witnesses for the prosecution were in attendance when called. The Fire Marshal testified that he had an interview with Baden in the cell, in which the accused told him that on the evening of the fire he gave Roll sixty-five cents in pennies, and was under the impression that he wanted to get some terosene oil, as he (Roll) told him (Baden) on a former occasion that in burning his store he intended to use kerosene oil for that purpose; Roll returned with the demijohn containing kerosene oil, which he left in the yard, and which Baden saw there. He further stated that he (Baden) closed the store between half-past eleven and twelve o'clock and went with Roll and another man to a ball in Fifty-third street; that Baden gave the key of the store to Roll while at the ball, who left and returned in half an hour or so, his impression being that Roll went to the store; Baden asked Roll "if it was all right?" he replied, "Yes," at the same time handing Baden back the store key. Subsequently this statement was written down by the Fire Marshal in the presence of the captain of the precinct, Mr. Brackett, however, observing the rule of law by cautioning the defendant to refuse to answer any questions that might be propounded to him if he saw fit to do so.

Mr. Hutchings charged in his opening that the motive which influenced Baden in firing his place was to defraud an insurance company. The secretary of the Germania Insurance Company testified that the prisoner held a policy for $1,000 upon his stock and household furniture. Mr. Hutchings proved by a witness who appraised the property that the aggregate value of the goods was $338 27.

The prosecution rested, and the case will be resumed this morning.

GRAND LARCENY.

Henry Watson pleaded guilty to an indictment charging him with stealing, on the 18th of January, eighty-nine dollars' worth of ladies' apparel, the property of Mary Aldridge, No. 1 Jefferson Park, Brooklyn. He was sent to the State Prison for four years and six months.

FELONIOUS ASSAULT AND BATTERY.

Charles Edwards pleaded guilty to an assault with a dangerous weapon with intent to do bodily harm to Susan McIntyre, at 21 Mulberry street, on the night of the 31st of January, by stabbing her in the breast with a knife. He was sent to the Penitentiary for one year.

CITY INTELLIGENCE.

THE WEATHER YESTERDAY.—The following record will show the changes in the temperature for the past twenty-four hours, as indicated by the thermometer at Hudnut's pharmacy, HERALD Building, Broadway, corner of Ann street:—

3 A. M.	22	3 P. M.	27
6 A. M.	23	6 P. M.	25
9 A. M.	29	9 P. M.	26
12 M.	25	12 P. M.	27

Average temperature 25½
Average temperature on Thursday 33⅓

INJURED BY MACHINERY.—Edward Shay, living at No. 31 Essex street, had an arm broken yesterday, at pier No. 8 North river, by a donkey engine. Taken to the City Hospital.

BURGLARY IN THE THIRTEENTH WARD.—A burglar yesterday morning entered the boot and shoe store of J. Blyn, No. 2 Lewis street, and selecting seven pairs of boots and two pairs of shoes endeavored to get away with them. Officer Layton, of the Thirteenth precinct, gave chase, when he abandoned the property on the street and made his escape.

SUDDEN DEATHS.—A man named John Hughes, ate of No. 49 Pike street, died suddenly yesterday, and Coroner Schirmer was notified to hold an inquest on the body.

Yesterday afternoon Coroner Flynn was called to hold an inquest in the rear of premises No. 40 Chrystie street over the remains of John Christian Gunther, forty-eight years of age and a native of Saxony, who died suddenly.

CONVENTION OF IRISH SOCIETIES.—An adjourned meeting of the convention of delegates representing the several Irish societies in this city and Brooklyn, was held last night at 42 Prince street, Mr. Peter McArdle in the chair. The object of the meeting was to make suitable arrangements for the celebration of St. Patrick's Day. So much time was consumed in examining the credentials of delegates and in taking the assessments of societies that the convention adjourned to meet on next Friday, without transacting any further business.

NATIONAL INSTITUTE OF LETTERS.—The Council of the National Institute held its first meeting on Thursday evening last at the law school of Columbia College. Mr. William Cullen Bryant was elected president of the institute and Mr. Howard Potter treasurer. The office of corresponding secretary was temporarily filled by the appointment of Professor Charles A. Joy and that of permanent secretary left vacant for the present. The officers of the National Institute as now organized are:—President, William Cullen Bryant; Vice Presidents, J. Lothrop Motley, Theodore D. Woolsey, Mark Hopkins, Joseph Leidy, Joseph Henry, Austin Flint; Treasurer, Howard Potter; Corresponding Secretary *pro tem.*, Charles A. Joy; Council, Charles Astor Bristed, P. F. Rothermel, Theodore W. Dwight, George T. Strong, Alfred L. Carroll, Henry E. Smith, George Ripley, Caleb S. Henry, John S. Newbury, Jeffries Wyman, Spencer F. Baird, Horatio Allen, W. H. C. Bartlett, William P. Trowbridge, William A. Hammond, Frank H. Hamilton, Thomas M. Markoe.

POLICE INTELLIGENCE.

WINE BIBBERS IN A BONDED WAREHOUSE.—On Thursday Thomas Burke, Patrick McCormick and Michael McCarthy were employed in the bonded warehouse of Samuel W. Thomson, Nos. 282 and 283 West street, to weigh coffee, and while thus engaged became thirsty, and knocking the bung from a cask of sherry wine freely tested its quality, taking a quart each, more or less. The weighers being caught in the act were detained, and subsequently taken in charge by detective Field, of the Fifth precinct. Yesterday the prisoners were arraigned before Alderman Coman, at the Tombs, and committed for trial.

SELLING COTTON TO THE WRONG MAN.—On Thursday last a quantity of cotton, valued at $100, was stolen from the premises of Patrick Moroney, No. 90 Laight street, and carried away. Yesterday afternoon a young man, giving his name as James Howard, called upon Mr. Moroney with some cotton in a coal box and offered to sell it to him. After making an examination Mr. Moroney identified the cotton as a portion of that stolen from him the day previous, and caused Howard's arrest by officer Wood, of the Fifth precinct. Justice Dowling, before whom the accused was subsequently arraigned, committed him to the Tombs, and to-day the case will be further investigated.

THE ELEVATED RAILWAY.

Trial Trips Yesterday.

After so many months of preparation the elevated railway on Greenwich street from Cortlandt street to the Battery has been brought as nearly as possible to completion, and yesterday experimental trips were made upon the route. Numbers of invited guests repaired to the office of the company, at the corner of Greenwich and Cortlandt streets, and after having explained to them the objects and expectations of the company they were escorted to the vault below the street, near the southeast corner of the streets last named. In this vault are the boilers, engines and immense driving wheel by which the cars are propelled. After inspecting the machinery here, which is neither very elegant nor very complicated, they returned to the office and passed through to the car, which was stationed outside. The car is entered at the side, and is, to all appearances, the same as an ordinary street car, with the addition of a truck at either end, on which the brakeman stands. When it is desired to start the car the person in charge at the end of the route notifies the engineer in the vault by means of a bell and the engine