THE RAILWAY COLOSSII.

The Great Litigation---Hudson River vs. The Erie Princes.

Commodore Vanderbilt On the Stand.

WHAT ABOUT THAT $5,000,000?

Jay Gould & Co. and Other Large Fry In the Transaction.

JAMES FISK, JR., IN COURT.

SUPREME COURT—CHAMBERS.

Before Judge Ingraham.

The Erie Railway Company vs. Cornelius Vanderbilt.—It will be remembered by the readers of the HERALD that on Thursday last Judge Barnard, sitting at Special Term of the Supreme Court, refused the motion to send the trial of this case before a jury, and set down the hearing for the 28th inst., at Special Term. Yesterday morning, on application of Mr. David Dudley Field, counsel for the Erie Railway, Judge Ingraham granted an order to have testimony taken before trial, and accordingly the proceedings were at once begun in the Supreme Court Circuit room, where a large number of influential and moneyed men were present to listen to the proceedings. Prominent among them was Mr. James Fisk, Jr., whose corpulent and extremely healthful appearance seemed to give the most perfect assurance that he is blessed with an easy conscience, and that his mind is at rest.

Mr. David Dudley Field and Dudley Field appeared in behalf of "Erie," while Mr. Rapallo, with whom is associated Mr. Beach, of Troy, watched the proceedings on the part of the Commodore.

Judge Ingraham was not present during the examination, but it was understood that should any knotty point arise, or if any objection was raised by counsel, his Honor should be sent for to settle the matter.

THE COMPLAINT.

The following is the complaint out of which the whole transaction grows, and which explains fully the plaintiff's side of the case to the reader:—

Supreme Court—City and County of New York—The Erie Railway Company Plaintiff, vs. Cornelius Vanderbilt, Defendant.—The Erie Railway Company, plaintiff, complains and alleges:—

First—That in February and March, 1868, several actions were commenced against this plaintiff and certain of its officers, in which the complaints alleged various acts on the part of the officers of this plaintiff, and particularly on the part of Daniel Drew, then the treasurer of this plaintiff, which the said complaints asserted to be in fraud of this plaintiff and of its stockholders.

Second—That the said complaints all purported to be brought for the protection of the stockholders of the plaintiff, as such, and prayed for no damages against this plaintiff, but only for such relief as it was therein claimed would be for the advantage of the plaintiff.

Third—That the defendant herein was not a party of record in any of the said actions, and publicly denied that he had any interest in or control over them.

Fourth—That in July, 1868, a compromise of the said actions was effected between John S. Eldridge, the president of this plaintiff and Daniel Drew, then its treasurer, on the one part, and Richard Schell and Frank Work on the other part, by which it was agreed that the said actions should be discontinued; that the said Schell should receive $425,250 or more from this plaintiff; that the defendant should be relieved of 50,000 shares of the capital stock of this plaintiff in the manner hereinafter described, and should receive $1,000,000, and that the directors of this plaintiff should purchase for its account bonds of the Boston, Hartford and Erie Railroad Company for $3,000,000, at eighty per cent, and that the plaintiff should pay the interest thereon and endorse the same.

Fifth—That on or about the 11th day of July, 1868, at the city of New York, the said agreement was carried into effect, and in pursuance thereof the officers then having charge of the plaintiff's funds, acting in obedience to the orders of the directors of this plaintiff, a majority of whom were then under the control or influence of the said Eldridge and Drew, paid or caused to be paid to the defendant $2,500,000 in cash, and also bonds of the said Boston, Hartford and Erie Railroad Company to the amount of $1,500,000, belonging to this plaintiff and endorsed by the president and secretary of this plaintiff in its name, in consideration of 50,000 shares of the plaintiff's own capital stock, which were then transferred by the defendant to the plaintiff; and the said officers, in like obedience to the order of the said directors, at the same time and place paid to the defendant the additional sum of $1,000,000 in cash out of this plaintiff's funds without any lawful, valuable or sufficient consideration.

Sixth—That at the time of making the compromise aforesaid the said Eldridge was president of the said Boston, Hartford and Erie Railroad Company, and had a large interest therein as stockholder and otherwise, and had great personal advantage to gain by disposing of the said bonds to the plaintiff and by procuring the plaintiff's endorsement thereon, and the said Drew was largely indebted to this plaintiff, and in one of the actions aforesaid an injunction had been granted by this court restraining the directors of this plaintiff from endorsing any of the said bonds and from compromising the claim of this plaintiff against the said Drew.

Seventh—That the object and motive of the said Eldridge and Drew in making the compromise aforesaid was to put an end to the said injunction, and the object of the said Schell and Work was to make money for themselves, and all the said parties intended by the said compromise to defraud this plaintiff, all of which was at the time of the transaction between the plaintiff and the defendant aforesaid, well known to the defendant.

Eighth—That the defendant at the time of the transaction aforesaid between him and the plaintiff claimed to have control over the actions aforesaid, and over the said Schell and Work, and induced the said Eldridge and Drew to use their influence with the other directors of the plaintiff to complete the said purchase of his stock, by promising that the action aforesaid should be discontinued if such purchase was made.

Ninth—That the plaintiff had no authority under its charter to purchase the said shares of its own stock, or any of them, nor had it any occasion or use for any of them, nor had it any advantage to gain from such purchase, and the price paid by it as aforesaid to the defendant was at least $500,000 more than the defendant could have obtained in the market for the said shares; all of which was well known to the defendant at the time of the said transactions.

Tenth—That the bonds which were given to the defendant in part payment for the said shares are negotiable in form, and the defendant intends to dispose of some or all of them to persons who will be purchasers in good faith and for value.

Eleventh—That before the commencement of this action the plaintiff tendered to the defendant fifty thousand shares of its capital stock, and demanded the return from him of the money and bonds received by him, but he would not return the same nor any part thereof.

Twelfth—That the plaintiff is now and always has been ready and willing to return to the defendant the fifty thousand shares aforesaid upon receiving from him the money and bonds paid for the same.

Wherefore the plaintiff demands judgment.

1. That the defendant be restrained by injunction from selling or otherwise disposing of any of the bonds of the Boston, Hartford and Erie Railroad Company received by him from the plaintiff.

2. That the defendant deliver to the plaintiff the bonds aforesaid.

3. That if the defendant is unable to deliver all the bonds aforesaid he be required to give good and sufficient security for the protection of the plaintiff against all claims of purchasers thereof, and also to pay to the plaintiff the value of the bonds not delivered by him.

4. That the defendant pay to the plaintiff the sum of $3,500,000, with interest from the 11th day of July, 1868.

THE ANSWER.

The defendant, in answering the complaint, says he has no knowledge of the contents of the complaint in the action sufficient to form a belief. He admits the allegation in the third clause, and that the actions mentioned in the complaint were compromised in or about the month of July, 1868, and said actions were discontinued on or about the 3d of July, 1868, but denies any knowledge or information as to whether such compromise was effected between the parties named in the fourth clause of said complaint, or what the terms of said compromise were. He denies that he was a party to the compromise; admits receiving the money and the bonds, but denies that they were received by him in pursuance of the alleged agreement in said complaint or by virtue of the alleged compromise. To each and every other allegation in the complaint the defendant puts in a general denial.

COMMODORE VANDERBILT ON THE STAND.

The first witness called was Cornelius Vanderbilt, who was examined by Mr. David Dudley Field, as follows:—

Q. Did you, in July, 1868, receive from Jay Gould, as treasurer of the Erie Railroad Company, $1,000,000 and also bonds of the Boston, Hartford and Erie Railway to the amount of $1,250,000? A. I received from Jay Gould a certified check for $1,000,000 and a check of the Boston, Hartford and Erie Railroad Company for $150,000 for the purpose of carrying out a contract I had made with Mr. Drew for the sale of a certain amount of stock; made that contract with Mr. Drew in the fore part of July, a few days before this transaction; I do not know that anybody was present; it was made in my house.

Q. State the contract fully. A. I sold Mr. Drew 50,000 shares of Erie Railroad stock for $4,000,000.

Q. How were the $4,000,000 to be paid? A. In money.

Q. At what price? A. At eighty.

Q. Was that the price the stock was then selling at in the market? A. Upon my honor, I don't know that.

Q. Did you not then know? A. I think it is very likely I did.

Q. Was not that price much above the market price? A. The price of Erie stock at that time had been vacillating.

Question repeated. A. I don't know.

Q. Did you not then know it? A. I can't say whether I did then. I think it is very probable it was, because it was a large block of stock and you could not buy it unless you ran it up.

Q. If you have it to sell, then, you must sell it at a depreciation? A. If you sell it you have to sell it at the market price. I did not care about selling it at that time at all.

Q. Had you held the stock long? A. Well, for some time; I can't tell how long.

Q. Had you bought it during the litigation of that year and the previous year? A. That I don't know.

Q. Do you not know whether that stock was purchased by you during the litigation commenced the previous autumn and carried on in the beginning of that year, and for the purpose of affecting the litigation and of being affected by it? A. I had nothing to do with the litigation; I never paid any attention to it; I thought when I purchased it that it was a good purchase; I thought it was worth the money; I supposed it was a good stock.

Q. Did you think it would rise? A. I supposed it was worth the money whether it would rise or not.

Q. Do you know how it was that that contract you made with Mr. Drew came to be carried out by Mr. Gould? A. That was a matter between Mr. Gould and somebody else—the president and Mr. Drew; I recollect perfectly well when I made that contract with Mr. Drew, I said, "I must have an understanding about the matter; I will not sell the Erie Railway anything; I will have nothing to do with it; I am purchasing this stock for myself;" I said that because I made up my mind the Erie Railway had got into so many difficulties that I would not have anything to do with them; I made up my mind I would not have anything to do with the Erie Railway, and I have always stuck to that since.

Q. Did you suppose that Mr. Drew was acting for the Erie Railroad in that negotiation or purchase? A. No; not after he told me he was not.

Q. Well, previously? A. I don't know but what I might; may be I might not have thought of such a thing at the time: I know I made up my mind to it that I would not have anything to do with the Erie Railroad in any way.

Q. Who told you that Mr. Drew's contract would be carried out by Mr. Gould? How came Mr. Drew's contract to be carried out by Mr. Gould? A. That is a matter between Mr. Gould and Mr. Eldridge and Mr. Drew; I understood from Mr. Drew that Mr. Eldridge came to him and wanted to make some arrangement about that 50,000 shares of stock; that is what Mr. Drew told me; Mr. Eldridge called on me then and asked me—I think Mr. Drew was in the front office at the same time—the object of Mr. Eldridge calling on me was this, as I supposed at the time; Mr. Drew was to pay me this money in money; Mr. Eldridge had a lot of his Boston-Erie bonds that he wanted to dispose of, and to see if he could succeed in getting a portion of these bonds off and taking Mr. Drew's money; that was the object he had, as I supposed; I took on that account 625 bonds, I think; that cancelled that 50,000 shares at the price of 80, consequently he had but $3,500,000 to pay instead of four; I suppose that was Mr. Eldridge's motive; the 50,000 shares were finally paid by 625 of these Boston and Erie bonds for half a million; Mr. Gould brought me in a certified check for a million of dollars, together with these bonds; he then said, "Here is a certified check for a million of dollars and here are these bonds. If you send these 50,000 shares of stock down to your brokers Work, Davis & Borden, at twelve o'clock to-day, he will take them and give two and a half millions more of money;" I sent the stock down to Work, Davis & Borden and they did the rest of the business; they gave me credit for the money.

Q. Did they receive any instruction from you? A. Not anything more than just that.

Q. Did you know or were you informed that at or about that time the litigation of which I have spoken was settled? A. I have no doubt I heard it; as I stated before, I had not anything to do with the litigation in any shape, form or way—not to the interest of a penny, nor never had in any litigation with the Erie road people.

Q. Were you not informed that the purchase from you was part of the settlement of that litigation? A. No; whenever they talked to me about litigations I always threw it out, and said, "I want to hear nothing about your litigations."

Q. Who talked with you about litigations? A. I can't say who.

Q. Was it part of the arrangement that you should give the Erie Railroad Company the option of purchasing fifty thousand more shares at the same time? A. No, not the Erie.

Question repeated. A. No.

Q. Please to look at the paper now shown you and tell me whether it is signed by you? A. That looks very much like my name.

Q. Is it your name? A. I should think it was, sir.

[Mr. Field here read the paper alluded to, which purported to be an agreement with the Erie Railroad Company, or Mr. Eldridge, or Jay Gould and their assignees, to hold five millions of stock of the Erie Railroad Company, &c.]

Witness—I think that is very correct.

Q. Do you now say you had nothing to do with the Erie Railroad? A. I do not know that; that was not a part of this 50,000.

Q. In point of fact, was it not a part of that arrangement that you should give the Erie Railway Company the option of buying 50,000 more shares? A. No, I never made that arrangement with Mr. Drew; when that agreement came to be made, they asked me if I had any more stock; I said yes, and they said, "Will you sell us 50,000 shares for so much money?" I think it is likely Mr. Eldridge asked that; I supposed I was dealing with him; did not suppose I was dealing with the Erie Railroad at all; I had nothing to do with the Erie Railroad in form or shape.

Q. Was anything ever done in respect to that agreement after? A. No; I never heard of it, only I supposed they did not call for the stock.

Q. Do you not know or believe that the $3,500,000 came from the Erie Railroad Company? No, I do not.

Q. Do you not know or believe that a portion of it came from them? A. No, I do not; at the time I took that certified check for $1,000,000 I never looked at it to see who had signed the check, nor did I care as long as it was certified; but, then, I migh have been a little remiss.

Q. Who gave you that check? A. Mr. Gould, I think.

Q. When did Mr. Gould first intervene in the transaction? A. Well, now, I declare I can't tell you, Mr. Field; it strikes me Mr. Gould knew I had made a sale with Mr. Drew of this amount of stock, and whether he came to me to let him off or not and substitute another I am not positive; but I said I would take any one else he had a mind to except the Erie Railway Company, for I was afraid it would get me into difficulty.

Q. Look at these two checks and tell me whether you have not mistaken the transaction altogether—whether there were not two checks, and neither certified? A. No, they were not given to me; I thought there was but one check given to me.

Q. Are you confident there was but one check and that that was certified? A. Well, I thought so, and I think so still.

Q. Look at that check and tell me whether it was ever given to you, and, if so, for what (another check handed to witness)? A. I do not remember anything about that check, Mr. Field.

Q. Will you look at this check again and say whether that check did pass through your hands? A. I have not the slightest recollection of that check in the world.

Q. His is your endorsement? A. That looks very much like my name.

Q. To the best of your recollection and belief is it? A. Well, I am not going to swear anything about my name; there is a way to correct this; if it be correct my bank book will tell it.

Q. Do you know your signature? A. Yes, I should think that that was my signature, but will not swear positively about it; I recollect once a check of that kind came into me for $75,000 which was a forgery and I would never have detected it except from my bank book.

Q. Do you believe this to be a forgery? A. I can't tell.

Question repeated. A. As long as there is a way for me to prove this positively within my reach, if I have got that amount of money deposited in the bank, my bank book will tell it, if I have not it is a forgery; if that signature was to come up anywhere outside of such a litigation as this I should think it is mine; I am not going to swear positively it is.

Q. Will you not swear you believe it to be yours? A. I cannot say any more.

Q. Do you know the signature of Work, Davis & Borden? No, I am the poorest judge in the world of signatures.

Q. Look at that check and say whether it went to Work, Davis & Borden, your brokers? A. No, I can't tell.

Q. Have you had their signature frequently? A. Yes, a thousand times, and would not swear to it any day.

Q. Is that a signature of their's which you would take in a business transaction? A. Well, I don't know; I would take any signature they would give me.

Question repeated. A. It is likely I should. I do not examine all these things closely, Mr. Field.

Mr. Field here read check No. 112, dated New York, July 11, 1868, and bearing the name of the Manhattan Company, with the Erie Railroad Company printed on the margin, and directing the payment of $166,000 to the order of Jay Gould, treasurer, and endorsed "C. Vanderbilt, Esq."

Q. Say whether that refreshes your memory so as to enable you to say that that was the check given to you and by you sent to your brokers, Work, Davis & Borden, for deposit on your account? A. I have no recollection of it.

Q. Have you any information or belief on the subject? A. No, unless you let me refer to my bank book.

Q. Supposing the check to be genuine and your endorsement not a forgery, can you explain it? Will you tell me for what purpose and upon what consideration you received that check? A. That is what I can't say. If I received it at all my books will tell me.

Q. Look at the check and tell me whether it is certified. A. I don't see it certified. I don't know whether you call that a "certify" or not.

Q. Please to look at another check which I now show you. A. Yes, sir.

Q. And say whether that check has ever been in your hands. A. I can't tell you, sir.

Q. Is the name C. Vanderbilt on the back? A. I answer that the same as the other, to save you time.

Q. Is that check certified? A. Well, I don't know if you call that a certification or not.

Q. Is this certified in the way you spoke of the $1,000,000 being certified? A. I think that check was certified crossways; this appears to be in that way.

Mr. Field here read the check.

Witness—The same as the other; it might have been possible there were two checks instead of one, but my impression is the other way.

Q. Will you say whether these two checks are not the checks for the $1,000,000 which you received? A. No, sir; I won't say that; by a reference to my book if it tells that there are two amounts which accord with them instead of one I would say so, but my impression is still it is one.

Q. Will you look at the check now shown you, and which I will read (Mr. Field read a check dated New York, July 13, 1868, on the Continental National Bank, for $2,500,000), and tell me whether that is a certified check which was paid to Work, Davis and Borden for your account? A. I never saw the check before; I don't know anything about it.

Q. Look at the paper now shown you and say whether it is in your handwriting? A. Yes, I should think it was; I have no doubt of it.

Mr. Field read the paper, as follows:—"I send to Work, Davis & Borden 50,000 shares of Erie Railroad stock to be delivered to Mr. Jay Gould on his payment to them of $2,500,000 on Monday, the 13th inst.

NEW YORK, July 11, 1868. C. VANDERBILT."

Witness—I should think that was a paper I sent to Work, Davis & Borden as their authority for closing the transaction.

Q. At Mr. Gould's interview with you was anybody present? A. I don't recollect.

Q. Did he have more than one interview? A. Don't recollect.

Q. Where was it and when? A. I don't know.

[His impression was that Mr. Eldridge and Mr. Gould came to his office to see whether he would not deal with them instead of Mr. Drew for 50,000 shares of Erie stock, which he wouldn't do unless with the consent of Mr. Drew. Mr. Drew said Mr. Vanderbilt was in the back office at the time. This was his (Mr. Vanderbilt's) impression; it was a good while ago, and he does not wish to be misunderstood; he may possibly have forgotten the facts and he does not wish to misplace the gentlemen. This was a few days before the 11th day of July; he saw Mr. Gould a number of times and does not recollect now how many times; his recollections of the interviews is not very particular.]

Q. State what was said. A. Oh, a thousand things were said. When business was transacted I am apt to recollect it, but as to other things I have forgotten.

In answer to a question by Mr. Field Mr. Vanderbilt reiterated his former answer, that he had had nothing to do with the litigation then pending against the Erie Company, and added "nor with any other litigation against the Erie Company, previous nor since."

Q. While that litigation was going on and Mr. Drew was said to be in Jersey City did he not come to see you at your house in this city? A. Yes, he did so; he wanted to get some assistance to get out of the difficulty—I knew they were in a tight place.

Q. Did not Mr. Drew make some proposition to you for a settlement of the litigation? A. Never; I wouldn't listen to him. I never told him that I wished the 50,000 shares taken off my hands and to agree to a settlement.

Q. Did you not wish to be relieved of those shares? A. I never wanted to be relieved of them. I would much rather have kept them, and would not sell them to a living being for one dollar less.

Q. At the time of the sale to Drew did you retain any Erie stock? A. Yes, sir; I had lots of it.

Q. How many? A. "Them's are things I keep to myself."

Q. Do you hold the same still? A. That's an affair of my own.

Q. Did you understand what motive they had in wanting to purchase your stock? A. No; I did not understand any of their motives why they wanted the stock; I thought they wanted to fix up something.

Q. Fix up what? A. I didn't know; I understood they were in a devil of a dirty place, and for me they might get out of it as best they could; I didn't care.

Q. After the bargain was made with Drew, did not Eldridge and Gould refuse to carry it out until it was ratified by the Board of Directors? A. No, sir, they did not refuse; I wouldn't have anything to do with them; they said many things which went in at one ear and passed out at the other.

Q. Did you hold any other claims against the Erie Company except stocks and bonds? A. None other; I had only stock and bonds of the Erie Railway.

Q. Did you know that Mr. Eldridge was President of the Erie Company? A. Only from hearsay; I had heard it; I heard also that Mr. Gould was treasurer; I supposed that Mr. Drew was treasurer for a long while; but anybody else is just as good a judge of this as myself; I hear many things that I don't care about and I don't recollect them.

Upon further inquiry Mr. Vanderbilt stated that he was not mistaken in testifying that one day he received $625,000 in bonds and the next day he received $625,000 more, in payment of $1,500,000 of stock, or 50,000 shares. This Boston, Hartford and Erie Railroad stock was given for signing the agreement which is referred to above. Mr. Gould gave him the stocks, and he laid them in a box in the room. He took it for granted that they were right and didn't count them. He had no claims against the Erie Company in February, 1868, at the time of the settlement, nor from that to July, 1868. In answer to a positive question Mr. Vanderbilt replied that he meant to say he had had nothing to do with the Erie Company. He told the gentlemen he would have nothing to do with the company and they said they were making the arrangement for themselves; Mr. Gould, Mr. Eldridge and Mr. Drew, or at least two of them, and he could not be positive which, said that it was their own affair; he saw the check; it was a single check; there may have been two; he does not now recollect, but his impression is there was only one.

Here Mr. Horace F. Clark made a suggestion to Mr. Vanderbilt, which was at once interrupted by Mr. Field.

Mr. Vanderbilt continued—My book would tell, but I am strongly impressed that there was but one check; Mr. Gould brought the check and bonds, and said that if I would send the 50,000 Erie shares to Work, Barton & Davis he would pay there the $2,500,000; my bank book will show whether there were two checks or only one; I will bring it with me at another time; I will do it on Monday or at any time you may fix.

A somewhat lengthy conversation interposed here between Mr. D. D. Field, counsel for the Erie Company, and Mr. Horace F. Clark, Mr. Rapallo, of this city, and Mr. Beach, of Troy, who appeared for Mr. Vanderbilt, in regard to the production of the latter gentleman's bank book, in order to get at the identification of two checks, dated July 11, 1868—one for $540,000, the other for $460,000, together $1,000,000. It was at first suggested by Mr. Field to adjourn over to Monday, but this was not agreed to by the opposite counsel, who desired the examination of Mr. Vanderbilt to be completed yesterday. Mr. Field wanted the bank book, to which Mr. Rapallo and Mr. Clark replied, that the bank book would not show the number of checks, but only the aggregate amount of one million. It was, at last, agreed to assume, for the present, that there were two checks, dated and for the amounts as given above.

Mr. Rapallo then handed the checks to Mr. Vanderbilt, who testified that the word "Allaire" was written across the face of both the checks, which was the usual way adopted by the Manhattan Company to certify checks. Mr. Rapallo also placed in the hands of Mr. Vanderbilt the paper containing the agreement, signed by Mr. Vanderbilt, and referred to in the earlier part of his examination, and he said that at the foot of the paper is written an assignment, with the signature of John S. Eldridge, by which the latter gentleman, for and in consideration of the sum of one dollar in hand received, transferred and assigned all his right and interest in "the foregoing agreement" to James Fisk, Jr. Mr. Field stated that they did not introduce this portion of the document as evidence, but the examination of Mr. Vanderbilt in reference to it may be considered as preliminary to make it part of the defendant's case. Mr. Rapallo also proved by Mr. Vanderbilt the contents of the following:—

I send to Work, Davis & Barton 50,000 shares of Erie Railroad stock, to be delivered to Mr. J. Gould on his payment to them of $2,500,000 on Monday, the 13th inst.

NEW YORK, 11th July, 1868. C. VANDERBILT.

NEW YORK, July 13, 1868.—Messrs. Work, Davis & Barton will please deliver the above 50,000 shares Erie Railway stock to Messrs. Smith, Gould, Martin & Co., who will pay for the same. JAY GOULD.

Mr. Vanderbilt to Mr. Field—Can't you finish this examination now?

Mr. Field—If you had your books here I probably would have no more questions to ask.

Mr. Vanderbilt—Then if you see that the two checks are right you are done with me?

Mr. Field—I believe so; I wish the books only to refresh your memory, as I think you are mistaken.

Mr. Vanderbilt (looking at his watch)—Well, I might go to the bank and ascertain that in five minutes.

It was then agreed to take a recess till two o'clock P. M., to enable Mr. Vanderbilt to ascertain all about the checks.

At the appointed hour the examination was resumed.

Q. Have you, during the recess, made inquiries about these checks? A. Yes, sir, I have; and I found that I have made a mistake in my former statement; the two checks are correct; there were two checks; I had forgotten that part of the transaction.

Q. Do you still hold these Boston, Hartford and Erie bonds, or any portion of them? A. I have a portion of them yet; I don't recollect how many; I guess about a million.

This closed Mr. Vanderbilt's examination, and all the parties left the court room.

HAYTI.

The Revolutionists Victorious in the South and West—Salnave's Generals Desert Him and Unite With the Insurgents to Enforce His Abdication—Vil Lubin Appointed Provisional President of the West—Salnave Intrenching Himself in Port au Prince.

JACMEL, Nov. 10, 1869.

The insurgent troops have secured a complete triumph in the South and West. So far as the re-establishment of Sulnave's influence in that part of the island is concerned, his hopes are forever at an end. From the military operations under his two favorite generals, Chevalier and Vil Lubin, Salnave expected highly satisfactory results, but although for some time past these two generals have used every exertion to suppress the insurrection in the South and West, they have at last accepted the situation and recognize the revolution in those districts as an accomplished fact. Acting upon this conviction, Chevalier and Lubin have joined the revolutionists. On the 4th inst. Chevalier sent in a delegation from his headquarters to Jacmel to arrange the conditions upon which his adherence to the revolutionary party might be effected; and after due consultation with the insurgent leaders, the matter was satisfactorily arranged. Thereupon Chevalier departed for Port au Prince, with a portion of his army, to demand Salnave's abdication. In the meantime Salnave visited Miragoane, in the steamer Algonquin, for the purpose of bombarding that town, but finding no insurgents there he abandoned his design and returned to Port au Prince, where he purposes intrenching himself and holding out to the last.

Vil Lubin has been proclaimed Provisional President of the West, and will at once assume his duties as such. This unexpected change in affairs has had a salutary effect upon the community generally. Confidence in mercantile matters is being rapidly restored. The people are supplying the markets amply with provisions. Coffee is coming in more freely and trade is becoming brisker.

Provisions bring a fair price, and exchange is at 550.

EUROPE.

British Opinion of American Finance and the United States Debt.

THE CHURCH AND FASHION IN ENGLAND.

German Reports of the Recent Earthquake Shocks.

The German mail steamship Union, Captain Dreyer, from Southampton on the 9th of November, arrived at this port yesterday evening, bringing a mail report in detail of our cable telegrams, dated to her day of sailing from England.

The London *News* of the 9th of November says:—

Our special correspondent in Egypt sends us an account of a voyage he has had on the Suez Canal. Our correspondent regards it as unfortunate that the formal inauguration of this great enterprise has not been postponed for a few months longer, and is of opinion that the piloting of large ships from sea to sea will not be free from risk.

The London journals contain ample reports of Queen Victoria's visit to the city, a complete programme of which appeared in the HERALD yesterday.

The death is announced from Paris of M. Eugéne Forcade, the French journalist, whose serious illness aroused so much sympathy a few months since.

Vice Chancellor Malins decided that the expenses of the Overend and Gurney prosecution shall not, as Dr. Thom had prayed, be paid out of the estate in liquidation.

At a quarter to four Saturday afternoon, November 6, the steamship Great Eastern, with upwards of 3,000 miles of Anglo-Indian cable on board, weighed anchor, and took her departure from the Portland roadstead, England, under the command of Captain Halpen. At five o'clock the big ship was clear in the strait, and at half-past five she was lost to view in the westward, steaming at the rate of seven knots an hour.

There is a probability that another Episcopal mitre will soon fall to the disposal of Mr. Gladstone. It is generally understood that the Bishop of St. Asaph, who is in his eightieth year, has sent in his resignation. The right reverend prelate was consecrated to the see of Sodor and Man in 1841, and translated to St. Asaph in 1846. The Bishop is patron of 113 livings, and the annual value of the see is £4,200.

Two daughters of the Duke and Duchess of Abercorn were married November 8 in Westminster Abbey—Lady Maud Hamilton to the Marquis of Lansdowne and Lady Albertha to the Marquis of Blandford, eldest son of the Duke of Marlborough. The Prince and Princess of Wales, the Prince and Princess Christian and the Duke of Cambridge were present at the ceremony.

In London, on the 8th of November, Mr. George Vining, late the lessee of the Princess' theatre, presented his own petition for an adjudication of bankruptcy. The liabilities are said to be about £5,000.

There was another very high tide in the Thames on the morning of November 8, and the land and gardens in the low-lying districts were again submerged. This was followed by an exceedingly low tide, and so shallow was the river, especially between Waterloo and Charing Cross bridges, that several steamboats ran aground.

ENGLAND.

United States Government Finances—Mr. Boutwell's Speech and Plan.

[From the London News, Nov. 8.]

The certainty that an attempt will soon be made by the American government to reduce the rate of interest on its debt may excuse our giving some consideration to the process by which the object desired may be accomplished. When we hear of a debt between five and six hundred millions sterling, bearing somewhere about £26,000,000 of annual interest, that it is proposed to reduce that interest to £21,000,000 or less, the ways and means to do so can hardly be said to be obvious. So great a financial *coup* is not accomplished every day. We may have faith in its possibility for various reasons. We may believe that the credit of the government concerned is far below its proper level, that it is only recovering from a much lower point to which it had fallen through exceptional and temporary causes, and that the government is pursuing a policy which must quickly improve its credit in the market. Still it may be useful to look beyond and see how the thing can be done.

A letter which is before us, addressed by Mr. Charles S. P. Bowles to Mr. Boutwell, and which the latter would have received when he made his recent speech, contains some suggestions of a definite plan which, in the above view, seems worth considering. Stated shortly, the plan is to issue a new loan of $1,200,000,000—about £250,000,000.—at four per cent in gold bonds guaranteed against all taxation and expressed in equivalents of dollars, francs and pounds—arrangements being made to cash the coupons at "the capitals or money centres of all countries." This plan will account for about one-half of the debt and the remainder is made up of the legal tender currency, the five per cent debt which there is comparatively less need to convert, a sum of $300,000,000 held by the national banks, who can be compelled to take four per cent bonds in exchange for the present six per cent ones which they hold, and a further sum of $100,000,000 which may be left to be dealt with by the present rapid process of redemption. There are various minor details, some of which we shall notice, but such is the outline of the scheme which would effect a good deal more than Mr. Boutwell has proposed. Mr. Boutwell only spoke of an immediate saving of from $18,000,000 to $25,000,000—at the most rather more than £5,000,000; but that amount will be saved by the main proposal alone in the present scheme. Six per cent interest on $1,200,000,000 is, as near as may be, £15,000,000, and a reduction to four per cent will save a third of that amount.

* * * What is promised, therefore, is an immediate reduction of more than £7,000,000 in the interest of the American debt, and if the scheme is in any way plausible, Mr. Boutwell's more moderate ideas must be strongly confirmed. Extravagant as these hopes may seem we should hesitate a good deal before pronouncing the scheme, or one like it, unreasonable. A main point must clearly be given in the projector's favor. The debt of the United States, so far from being overwhelming in capital amount, is really very manageable in prospect of any plan of conversion. Though the common notion is of a debt between five and six hundred millions, the amount is in reality very little over the lower figure, and it will only be necessary to deal with the half in any operation to reduce the interest. The five per cent debt may very well be left alone; the legal tender currency, if dealt with as we think it should, should be dealt with on different grounds; the bonds which the national banks are obliged to hold are subject to Congressional legislation, so that with a small amount over, to be left for direct redemption, about half the United States debt, or about two hundred and fifty million pounds, is all that can be regarded as being in the hands of the public at a high rate of interest. Stripped of all exaggerations, this is the solid fact with which American financiers have to deal, and their task at once ceases to be formidable. It may surprise some to be told that four years after the war which left the Americans indebted in nearly £700,000,000, incurred during the agony of a severe struggle for existence, there should be no more owing than £500,000,000, and that the amount borrowed from the public at what must be considered the low maximum of six per cent should be only half that sum. But the fact is on the surface, and must itself have an effect on American credit when it is popularly understood. But why should the Americans, paying six per cent now, be able to borrow in a few months at four? In any circumstances it may be said the change is too great to be conceivable. But strange as it may seem, the unusual circumstances of the present case appear strong enough to justify an approach to it. In a very few months American credit has improved about ten per cent; the six per cents are now nearly at par; another similar improvement will make the government master of the situation. And a similar improvement, or a greater one, may be predicted with safety. The new events which have removed doubts of the national credit are telling more and more, and what is equally important as public competition increases the amount to be competed for is rapidly diminishing. Mr. Boutwell is now redeeming annually about £20,000,000, practically a twelfth part of the sum in the hands of the public; and it is impossible to overestimate the effect of that operation on a limited market. We may almost expect it to work like a New York gold ring, forcing up the article in demand to a heavy premium at a bound, but without the reaction which is necessitated by a merely artificial withdrawal of the supply. The question at least will very shortly be one of American credit as compared with that of railway debentures or the stocks of other governments or any first class security—the quantity of American stocks being no longer an obstacle; and when that is the case, and all other exceptional circumstances to the discredit of America are removed, it would only be natural that four per cent should be the maximum, as with other first class securities. The scheme is, moreover, designed to be popular in form to most capitalists. By having the bonds expressed in European currency as well as dollars, and payable in Europe, no little friction in detail such as that caused by the anomalous mode of quotation on the London Stock Exchange, which always makes American credit appear ten per cent worse than it really is, will be avoided. Familiarity with the securities will likewise become an easier thing for the multitude of European investors. It will be quite consistent with the scheme, we think, to have no formal borrowing in Europe; but whether that be so or not, Americans, in adopting it, will only recognize practically the actual fact that borrowing is profitable to them, and that if they will borrow cheaply they must borrow from abroad. It is peculiarly difficult to understand the American "point of honor" about borrowing from abroad. As Mr. Bowles points out, America is in truth a "cosmopolitan" nation. Its glory should be to strike its roots deeply in the Old World, which has made it, and by every kind of association propagate its natural influence, and enjoy the reciprocal aid which the Old World can furnish.

Looked at closely, then, the American project of substituting a cheaper debt for the present dear one does not appear extravagant or unreasonable. It is the natural result of advancing credit and a supply diminishing with the increase o demand—all the co-operating circumstance sbeing in great force. A great deal more might be urged, if not in favor of the plan discussed, at least in favor of the more moderate ideas which Mr. Boutwel nas allowed himself to entertain. The Americans, however, confident in their own system of paying debts off, may bear the disadvantage with equanimity, just as they shun the fascinating and dangerous European precedent of reducing the interest by swelling the nominal capital of national debts.

GERMANY.

The Late Shocks of Earthquake and Their Results.

The shocks of earthquake of the 30th and 31st of October, reported from Germany by cable, were most distincly felt at Frankfort, Wiesbaden, Darmstadt, Mayence, Offenbach, Eberstadi, and Giessen. A correspondent of the *North German Correspondent* describes the shock of 31st October in Frankfort as follows:—

At twenty-six minutes past five o'clock we experienced a shock of such severity that every object in the room began to oscillate in a strange and alarming manner. This continued for three or four seconds, the direction being from east to west. The house was shaken to its very foundation.

The writer adds that he tottered on his chair before the secretary at which he was sitting. The movement, as well as he could judge, was undulatory. The shock far surpassed in violence anything of the kind previously experienced in that part of Germany. We find in another communication from Frankfort:—

Five of us were sitting at a round table in the second story of the house, when something like an electric shock seemed to pass through us all simultaneously. At the same moment our chairs and the ground under our feet began to oscillate in an incomprehensible manner; the windows of the new solid stone house clicked as if struck by a sudden blast from without, and the doors creaked as if a more distant door on the same floor had been closed by some one with a violent clash. There was, however, neither wind outside nor any person in the adjoining rooms. After giving vent to our astonishment and affright in a cry uttered in unison we observed that the lustre in the middle of the room was swinging like a slow pendulum. In Russelsheim and Schwanheim several chimneys were overturned by the shock.

On the 1st inst. another shock of earthquake was felt at Frankfort, and is described by a correspondent of the Cologne *Gazette*, in a letter dated November 2, in the following terms:—

The inhabitants of Frankfort and its neighborhood were startled last night at a quarter to twelve by an earthquake shock more serious than any of the preceding. Your correspondent will not easily forget the feeling of terror with which he awoke from sleep nor the sensation of giddiness with which he was suddenly seized. The shaking was so violent that the furniture rocked, and I have heard that in a house on the Mayence road the plaster of the ceiling fell, and the terrified inmates sprang out of their beds, believing the house was about to fall, and hastily struck a light.

The grand focus of the subterranean commotion appears, however, to have been Gross-Gerau, between Mayence and Darmstadt, as we learn by the following interesting details in the *Frankfurter Zeitung:*—

The numerous shocks of earthquake to which Gross-Gerau has been exposed for the last six days are beginning to assume an alarming character. Since the night of the 25th to the 27th of October, in which the first gentle heaving was perceptible, not less than 200 shocks—seven of them violent—accompanied by subterranean thunder, have been experienced. On the 29th the undulations were frequent, but more curious than disquieting. On the evening of the 30th, however, a violent shock was felt at eight o'clock, which was repeated at half-past eleven and again at one o'clock in the morning. On the 31st two severe shocks occurred at a quarter past twelve and a quarter to four respectively, and a third at twenty minutes past five in the afternoon. The latter was so violent that the chimneys tumbled over, the plaster fell off the ceilings, and lamps and bottles on the table had to be held fast by the hand. Dogs ran terrified to their masters, horses broke loose from their mangers and men, women and children ran out into the streets. The wealthier inhabitants took the railway train to seek refuge in the adjoining towns. The remainder passed a weary and anxious night listening to the low and continued rumbling beneath their feet. After this the shocks, though frequent, were less severe till a quarter to twelve on the night of the 1st of November, when a violent undulation was again