covered and as supplementing or modifying the official statement by the Austrian admiralty upon which Secretary Lansing based his charge of violation of the laws of nations and humanity, and demanded a disavowal of the act, punishment of the officer responsible and reparation for the American victims, of whom there were more than twelve.

MANIFOLD OPPORTUNITIES TO KEEP CASE OPEN

It would not be out of keeping with the practice of nations if the United States were to reopen the case on a statement of new facts by Austria, and, in any event, observers of workings of diplomacy are see manifold opportunities in such a lengthy reply as Ambassador Penfield reports in his hands, for keeping the case in the realm of diplomatic discussion until a way for settlement is found, which will see the relations between the two countries unsevered.

Baron Zwiedinek, charge of the Austrian embassy, called upon Counselor Polk at the State Department during the day. At the conclusion of the conference neither would comment on the subject discussed beyond saying that it had to do with a "routine matter." The counselor is handling for the State Department the protest made by Baron Zwiedinek against a statement issued in the name of Department of Justice referring to the activities of Dr. von Nuber, Austro-Hungarian consul-general at New York.

REPLY IS FORWARDED TO LONDON FROM VIENNA

LONDON, December 31.—The reply of the Austrian government to the second American note on the sinking of the steamship Ancona, with the loss of American lives, is forwarded by Reuter's Telegram Company from Vienna by way of Amsterdam. The note says:

"In reply to the second American Ancona note, the Austro-Hungarian government fully agrees with the Washington Cabinet that the sacred laws of humanity should be taken into account also in war, and emphasizes that it, in the course of this war, has given numerous proofs of the most humane feelings.

"The Austro-Hungarian government, too, can positively concur in the principle that enemy private vessels, so far as they don't flee or offer resistance, shall not be destroyed before the persons on board are secured.

"The assurance that the United States government attaches same to the maintenance of the existing good relations between Austria-Hungary and the United States is warmly reciprocated by the Austro-Hungarian government, which now, as heretofore, is anxious to render these relations still more cordial.

"The Austro-Hungarian government then communicates the results of the inquiry into the sinking of the Ancona, which was recently concluded.

"The inquiry showed that the commander of the submarine, from a great distance, in the first instance, fired a warning shot on the steamer, sighted at 11:40 in the forenoon, which he at first believed to be a transport steamer, at the same time giving a signal for the vessel to stop. As the steamer failed to stop and tried to escape, the submarine gave chase, and fired sixteen shells, of which three were observed to hit. The steamer only stopped after the third hit, when upon the commander ceased firing.

"Already during the flight, it is declared, when at full speed, the steamer dropped several boats filled with people, which at once capsized. After the steamer stopped, the commander of the submarine observed that six boats were fully manned, and they speedily rowed away from the steamer.

SUFFICIENT OPPORTUNITY FOR PEOPLE TO BE RESCUED

"Approaching nearer, the commander of the submarine saw that a great panic prevailed aboard the steamer, and that he had before him the passenger vessel Ancona on account of which he gave those aboard more time than was necessary to leave the vessel in lifeboats. At least ten lifeboats were still aboard, which would have more than sufficed to rescue the persons still on the boat, but as no other preparations were made to hoist out the boats, the commander decided, after the expiration of forty-five minutes, to torpedo the vessel in such a manner that it ought to remain afloat for a still longer time, in order to leave further opportunity for the people still aboard to be rescued.

"Shortly afterwards a steamer became visible, which steamed toward the submarine. As the commander of the submarine also believed the steamer to be an enemy cruiser, he had to reckon with an attack, he submerged at 12:35, firing a torpedo into the foremost cargo hold of the Ancona. No more boats aboard the vessel were lowered, although persons were still visible aboard.

"The steamer sank so slowly that the submarine commander at first doubted whether the steamer would sink. Only at 1 o'clock did it sink, bow first.

"During the further forty-five minutes, it is averred, all persons aboard could easily have been saved with the available boats.

"From all the circumstances that this did not occur, the commander concluded that the crew, contrary to all rules of the seas, accomplished their own rescue in the first boats and left the passengers to themselves.

"The entire loss of life, the note sets forth, cannot be attributable in the first instance to the sinking of the vessel, but in some degree to the dropping of the first boat while the steamer was proceeding at full speed, and to the fact that the crew only thought of their own safety, and did not rescue the passengers from the capsized boats. But the death of the persons drowned with the sinking vessel must, above all, be ascribed to the "culpable behavior" of the crew.

AMERICAN NOTE BASED ON INCORRECT SUPPOSITIONS

The Austro-Hungarian note states that the American note in several points is based on incorrect suppositions, and describes as incorrect that a shell was at once fired, that the submarine, on pursuit, overtook the steamer, that only a short time was allowed for those aboard to enter the boats, and that several shots were fired on the steamer even after it had stopped.

MORE TIME ALLOWED THAN WAS NECESSARY

The commander of the submarine, the note continues, allowed the steamer more time than was necessary for the passengers to take to the boats, and then torpedoed the vessel in such a manner that it would remain afloat as long as possible, to enable the passenger to disembark—an object which would have been obtained if the passengers had not been forbidden by the crew.

"Fully appreciating the attitude of the commander, who had in view the rescue of the passengers and crew," says the note, "the Austro-Hungarian naval authorities have arrived at the conclusion that he apparently neglected to take sufficiently into consid-

Schmidt Sentenced to Prison for Life

Convicted of First-Degree Murder in Los Angeles Times Explosion Case.

LOS ANGELES, December 30.—Matthew A. Schmidt was convicted to-night of first-degree murder as the accomplice of James B. McNamara in the blowing up of the Los Angeles Times Building here five years ago.

The specific charge was of having murdered Charles Hagerty, one of the twenty victims of the Times explosion. The jury was out forty-six minutes.

The jury fixed Schmidt's punishment at imprisonment for life, the same penalty imposed on James B. McNamara after the latter had confessed in court four years ago that he placed the bomb which blew up the newspaper plant.

David Caplan, another alleged accomplice of McNamara, who was arrested last February near Seattle, shortly after Schmidt had been taken into custody in New York, is in jail awaiting trial also on the charge of having murdered Charles Hagerty.

eration the panic among the passengers which rendered disembarkation more difficult and the spirit of the regulations that Austro-Hungarian naval officers should refuse assistance to no one in distress, even an enemy. The officer was, therefore, punished for violating the instructions embodied in the rules in force for such cases."

"The Austro-Hungarian government does not hesitate, in view of the circumstances, to draw the appropriate conclusion concerning the indemnifying of American citizens affected by the sinking of the prize, but for the damage caused by the doubtlessly justified firing on the fleeing vessel, the Austro-Hungarian government cannot well be made responsible for the damages which resulted from the incorrect disembarkation or the capsizing of the lowered boats before the torpedo was fired. The Austro-Hungarian government must suppose that the Washington Cabinet is able and willing to communicate to the Austro-Hungarian Cabinet the necessary information referring thereto.

"But in case appropriate evidence is lacking, and the United States government should not have knowledge of the particulars of how the American citizens came to grief, the Austro-Hungarian government, in consideration of the incident which, from a humane standpoint, is deeply to be regretted, and guided by the desire once more to manifest its friendly feelings towards the United States, is ready and prepared to pass lightly over this deficiency of evidence, and also to indemnify for damages whose proximate cause could not be fixed.

"Hoping that the Ancona incident can now be regarded as cleared up, the Austro-Hungarian government makes provision to submit for discussion at a later moment those difficult international questions which are connected with submarine warfare."

The Austrian reply further expresses the hope that Washington will be able to supply the particulars of how the American citizens were affected, but in the event of such evidence being lacking, and the United States being unable to state how the American citizens came to their death, the Austro-Hungarian government "is ready to pass lightly over this deficiency, and indemnify for damages, whose proximate cause cannot be fixed, and hopes thereby that the incident will be regarded as ended."

The Austrian note, while announcing the willingness of the Austro-Hungarian government to pay an indemnity for the American victims of the Ancona, declares that the government "cannot admit responsibility for damage caused by the justifiable firing on the fleeing vessel, or by the capsizing of the boats before the torpedo was fired."

CLASS "C" GOVERNORS

Federal Reserve Board Announces Re-Election of All Present Officers for Three Years.

WASHINGTON, December 30.—Announcement was made to-day by the Federal Reserve Board of the re-election for three years of the following officers.

Class "C" directors of Federal reserve banks:

Allen Hollis Boston; H. P. Wolfe, Cleveland; Edward T. Brown, Atlanta; E. T. Meredith, Chicago; William C. Martin, St. Louis; M. E. B. Goltversen, Richmond; R. H. Malone, Kansas City, and George Foster Peabody, New York.

The board is still considering men for the vacancies in the San Francisco, Minneapolis, Dallas and Philadelphia banks.

FOUND UNCONSCIOUS

[Special to The Times-Dispatch.]

BRISTOL, VA., December 30.—Arthur Smith, twenty-four years old, was found unconscious on a public highway at Zion's Church, Sullivan County, Tenn., to-night. A mule, which he had been riding, was standing near. His home is in Washington County. Although there are rumors of foul play, he is believed to be a victim of exposure.

American Citizens Detained in Vienna

WASHINGTON, December 30.—Americans in Vienna not possessing certificates of birth or naturalization are being detained through the refusal of German consuls to vise their passports for travel in the German empire. Ambassador Penfield reported the situation to the State Department to-day by cable.

The ambassador said he had made representations on the subject to the German embassy in Vienna, and had asked the American embassy at Berlin to secure a modification of the regulation which prevents Americans from returning to their homes and excludes American-born or naturalized citizens who have not the required additional documents from Germany.

The regulation, the ambassador said, made it practically impossible for American citizens so situated to embark from Holland for home.

BELL-ANS
Absolutely Removes Indigestion. One package proves it. 25c at all druggists.

OSBORNE SURRENDERS AS WARDEN OF SING SING

Indicted Prison Official Granted "Indefinite Leave of Absence" by Governor.

HE WANTS SPEEDY TRIAL

If Found Guiltless, Whitman Says, Millionaire Reformer Will Be Reappointed as Head of New York Penitentiary.

[Special to The Times-Dispatch.]

ALBANY, N. Y., December 30.—Thomas M. Osborne surrendered at midnight the wardenship of Sing Sing Prison. His own counsel finally advised him he should get out. To-morrow Professor George S. Kirchway will be appointed in his place.

Mr. Osborne was allowed to go on indefinite leave of absence. His friends regard his manner of leaving as almost a victory. He was spared the humiliation of resignation or the disgrace of removal.

Mr. Osborne's letter to Superintendent of Prisons Riley, which received the approval of Governor Whitman, reads as follows:

"As you are doubtless aware, the deliberations of the grand jury of Westchester County have resulted in two indictments being found against me. It is obvious that the adequate preparedness of my defense will make it necessary to be away from the prison for a considerable length of time. I, therefore, ask that I may be allowed leave of absence until the final disposition of these indictments, which I will do all in my power to hasten. I, therefore, ask that some satisfactory person be designated to perform the duties of agent and warden during my leave of absence."

WILL REAPPOINT HIM IF FOUND GUILTLESS

Mr. Osborne said to friends to-night he expected to be reinstated if he is acquitted. When Governor Whitman was asked if Osborne would ever go back, he said:

"If the trial of Mr. Osborne results in failure to prove these charges against him, it is natural to suppose he would be reappointed.

"At the present time, of course, Mr. Osborne cannot remain warden of Sing Sing. It would be an intolerable situation. Mr. Osborne himself now sees the impropriety of it."

It was the Governor's hope that Mr. Osborne would ask for a leave of absence during which Dean Kirchway would act as warden with complete charge of all the details of the prison's management. A letter was drawn up to this effect in the expectation that Mr. Osborne would sign it at a conference with the Governor this evening.

U. S. PROPOSES PLAN TO PRESERVE PEACE

(Continued from First Page.)

boundary incident, to remind Europe that the Monroe Doctrine continues unaltered a national policy in this republic. The republics of America are no longer children in the great family of nations. They have attained maturity."

At another point Mr. Lansing said:

"When we attempt to analyze Pan-Americanism we find the essential qualities are those of the family—sympathy, helpfulness and a sincere desire to see another grow in prosperity, absence of covetousness of another's possessions, absence of jealousy of another's prominence, and, above all, absence of that spirit of intrigue which menaces the domestic peace of a neighbor.

"With all earnestness, therefore, I commend to you the thought of the American republics, twenty-one sovereign and independent nations, bound together by faith and justice, and firmly cemented by a sympathy which knows no superior and no inferior, but which recognizes only equality and fraternity."

RECIPROCITY URGED BY WILLARD STRAIGHT

[Special to The Times-Dispatch.]

WASHINGTON, December 30.—Reciprocity in commercial and financial activities between the United States and Latin-America was urged to-day by Willard Straight, of J. P. Morgan & Co., before the Pan-American Scientific Congress. He declared that "in our mutual necessity there is need and opportunity" for much more intimate co-operation.

"We are beginning to realize that we must furnish capital to our customers if we would market our goods," said Mr. Straight. "We must maintain a relationship which, in being mutually profitable, will bring about a better understanding of our aspirations and ideals. Both lender and borrower must monetize private credit."

Mr. Straight said that the American bankers in making a public offering of

Ford Peace Party Leaves Stockholm

Goes on Special Train to Copenhagen, Being Due There To-Day.

STOCKHOLM, December 30 (via London).—Occupying a special train, the Ford peace expedition left to-day for Copenhagen, where it is due on Friday. The managers of the party are still perplexed as to how it shall proceed later to The Hague, but hope to make arrangements in Copenhagen, where the members will remain probably for a week.

It is regarded as improbable that the route will lie through German territory, especially as the State Department refuses to extend the passports of the delegates so as to permit them to visit belligerent countries. It is stated the only hope along this line is of Germany granting permission for a special train to be rushed through without stopping. Otherwise, there will be an endeavor made to charter a vessel for the trip, although there is objection to this as unsafe.

The executive committee cabled to Henry Ford to-day that sympathy for the peace movement was growing in neutral countries. The message said that Sweden, although withholding official recognition from the movement, was heartily supporting it. Denmark was likewise described as sympathetic.

the Anglo-French loan in this country were performing a function analagous to that of the governments of Europe. He said the bankers were endeavoring to create a public credit to finance the great export trade from which our present prosperity is derived. He predicted that our resources will be available in some measure to rehabilitate European industries after the war.

Roger W. Babson, in addressing the Congress, declared it was the duty of every citizen to unite in influencing Congress to arouse itself to a realization of the great peril that confronts the United States and prepare for it by creating an adequate army and navy.

Arthur F. Kuhn, of New York, declared that all progress toward an international regime of law in the future must lie in the direction of emphasizing its obligatory character, rather than in its details. The desirability of immediate codification of international law, he said, depends upon whether agencies for its enforcement already exist or whether its interpretation in the last analysis rests only in the sovereign will of the individual nations.

A conference will be held to-morrow to discuss the position in which the United States and Latin-American republics will find themselves at the close of the European war with respect to their economic relations with European countries.

NEW LANDINGS IN NEAR EAST BY ENTENTE ALLIES

(Continued from First Page.)

vania. As preparation for Roumania's entry into the war, Russia's aim is to reconquer Bukowina for the benefit of her new ally. This task can be accomplished in a few weeks.

"The Roumanians will then fortify the new province and march with the Russians through Bulgaria and Transylvania, while simultaneously the Italians, French, British and Serbians will deal blows on other fronts."

CONSULS ARRESTED BY ORDER OF FRENCH GENERAL

LONDON, December 31.—A dispatch to the Times from Saloniki says:

"The consuls of Germany, Austria, Turkey and Bulgaria, with their staffs and families, have been arrested by order of the French General Sarrail and taken aboard a French warship.

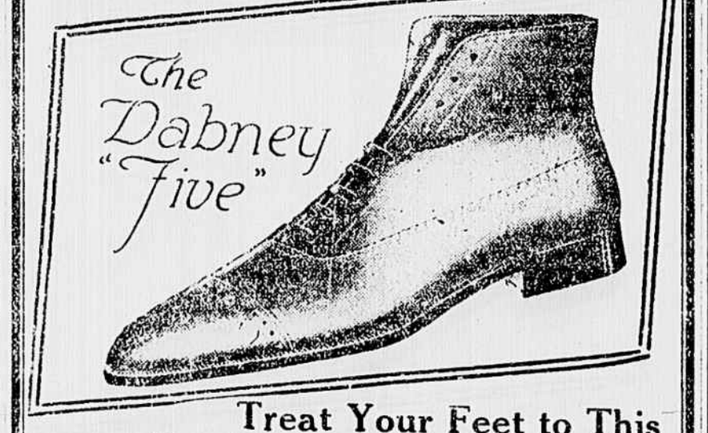
"Their consulates are now occupied by allied troops."

REPUBLICANS PICK ROANOKE

State Convention Will Meet in Magic City on March 29, 1916.

ROANOKE, VA., December 30.—At a meeting of the Republican State Committee here to-day, presided over by Representative C. B. Slemp, State chairman, Roanoke was selected over Richmond, Lynchburg and other cities of the State for the State Republican Convention, which will be held on March 29, to select delegates to the Republican National Convention at Chicago in June. Alvah H. Martin, Republican national committeeman from Virginia, was among those present.

F. W. Dabney & Co.
BROAD AT FIFTH.
Jacy-Adams and Ground Gripper Shoes for Men



Treat Your Feet to This New, Aristocratic Shoe at $5
This picture can't begin to show the Shoe as it will look on your foot. Come in and ask to try on the Dabney "FIVE," note the style points—English last, blind eyelets, round lace, low walking heel—it's a winner! Tan or black—$5.00

BANDITS KILL TWO MEN IN SOUTH BEND BREWERY

General Manager of Plant and His Chauffeur Are Shot and Instantly Killed.

ONE OTHER FATALLY INJURED

Police Have Slight Clue to Identity of Murderers—Young Son of Company's President Is Bound and Gagged by Thieves.

[Special to The Times-Dispatch.]

SOUTH BEND, IND., December 30.—Henry Muessel, general manager of the Muessel Brewing Company, and his chauffeur, Frank Chrobot, were instantly killed, and William Muessel, secretary of the company, was, it is believed, fatally injured by two masked bandits, who entered the office of the company shortly before 4 o'clock this evening. The police have a slight clue to the identity of the murderers.

According to Robert Muessel, eighteen-year-old son of Robert Muessel, president of the company, who was bound and gagged by the bandits, the robbers boldly entered the office and demanded that the safe be opened. Chrobot was standing outside the office door, and he was commanded to throw up his hands. He refused, and one of the men fired at him point-blank, the bullet passing through his mouth.

With guns leveled at the Muessel brothers, the men entered the vault room and told them to give them all of the money. Henry Muessel put up his hands and told them to take the money. Robert Muessel says that in spite of this, the bandits fired at Henry, killing him instantly. They then turned the gun on William, who put up a fight. He was shot in the stomach and was taken to the hospital unconscious. His condition is serious.

The bandits ordered Robert Muessel into another room and when he complied they bound and gagged him. They did not stop to rob the safe, but fled west in Michigan Avenue. Robert escaped and notified the police of the murder. John Wroblewski, fifteen years old, saw the men leaving the place. They leveled a gun at him and ordered him out of the way.

GIBBONS MISUNDERSTOOD

Cardinal Did Not Authorize Sending of Letters to Catholic Pastors Asking Prayers for Success of Campaign.

BALTIMORE, MD., December 30.—Cardinal Gibbons to-night expressed sorrow that "the purport of his conversation with the Rev. George C. Peck, D. D., pastor of the First Methodist Episcopal Church, regarding the Billy Sunday campaign was misunderstood," and declared that he had not "authorized the sending of letters to Catholic pastors asking prayer for the success of the coming campaign in Baltimore."

The cardinal said he did not know Dr. Peck was an accredited representative of the prayer-meeting committee of the Sunday campaign management, and received him only as a minister calling, as would any other individual.

Asked if he objected to the prayers of the Catholic clergy being sought for the success of the Sunday campaign, the cardinal replied that he had no objection. It was the inference drawn from Dr. Peck's public statement that permission had been given to send letters to Catholic clergy to which the cardinal said he objected. The Catholic Church, he said, could not in any way recognize Mr. Sunday as a divinely commanded teacher of revelation.

"Mr. Sunday is always kind to the Catholic Church in his references," the cardinal added, "and we mean no discourtesy to him by keeping away from him and his meetings and his influence."

WOULD ABANDON TESTS

Special Board Recommends Against Further Experiments With Isham High-Explosive Shell Fuse.

WASHINGTON, D. C., December 30.—Abandonment of experiments with the high-explosive shell fuse for navy use, invented by Willard S. Isham, of New York, is unanimously recommended by the special board of navy officers headed by Rear-Admiral Fiske, which has been investigating the subject for the last fifteen months. The board finds that the fuse fails to accomplish its object, which is to make possible shell fire against the unprotected hulls of warships below the water line.

Piles Cured in 6 to 14 Days
Druggists refund money if PAZO OINTMENT fails to cure Itching, Blind, Bleeding or Protruding Piles. First application gives relief. 50c.

Huge Coal Shipments Leave Hampton Roads

NORFOLK, VA., December 30.—With the figures for to-day and to-morrow yet to be added, the coal shipments from Norfolk, Sewell's Point and Newport News for 1915 were 11,673,737 tons.

This is the greatest amount ever shipped from Hampton Roads ports in any year. Last year the figures were over 12,000,000 tons.

A large percentage of the coal went to foreign countries.

WILSONS ON FLAG TOP

From Lofty Appalachian Peak Count Forty-Seven Mountain Tops Within Range of Sixty Miles.

HOT SPRINGS, VA., December 30.—A short climb over a rough and precipitous mountain trail to-day put President and Mrs. Wilson on top of Flag Top, a lofty Appalachian peak, from which they saw the Blue Ridge in the hazy distance and counted forty-seven mountain tops within a range of sixty miles.

The President and his wife, accompanied by Secret Service men, motored to a point five miles from here and within half-mile of the peak, a favorite spot with tourists.

The President worked for several hours to-day and read another long letter from Secretary Lansing reviewing the international situation. During the afternoon he and Mrs. Wilson received visitors for the first time since they came here to spend their honeymoon.

The callers were Mr. and Mrs. J. H. McCullough, of New York, and Mrs. Herbert S. Stone and her three children, of Baltimore.

NORFOLK EPIDEMIC

Business of All Kinds Interrupted by Great Number of Persons Suffering From Grippe.

NORFOLK, VA., December 30.—The grippe epidemic in Norfolk is spreading rapidly. Yesterday the telephone exchange and the street car company were handicapped in operation by the illness of many employees. Twenty-five of the latter were laid up with the disease and about an equal number of the former also suffered. The city Board of Control's business was handled by one controller, the other two members being at home. Commissioner of Revenue E. J. Doran and one or two other city officials or employees are also laid up.

The railroad and steamship officers are feeling the effects of the epidemic. At the offices of several of the companies it was stated to-day that many of the clerks are kept at home by grippe or bad colds.

At the hospitals it is said that there are a few cases of this disease and of the more dreaded pneumonia, and physicians report that it is prevalent in the city.

Colds Cause Headache and Grip
LAXATIVE BROMO QUININE removes the cause. Remember to call for full name. Look on signature of E. W. GROVE. 25c.

The Rouseable man—nine times out of ten—wears our label in his clothes.

If you don't—it's time to investigate. Begin by calling at this shop, today.

C. H. Berry & Co

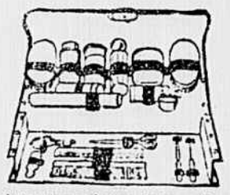
This Columbia Grafonola
With Set of Records.
$45.00
$1.00 Weekly.
The Talking Machine Co.
701 East Main Street

SOOTHE RED ROUGH AND ITCHING HANDS IN ONE NIGHT WITH

CUTICURA SOAP AND CUTICURA OINTMENT THEY WORK WONDERS
Soak the hands in hot Cuticura Soap suds. Dry and gently rub the Ointment into the hands some minutes.
Samples Free by Mail
Cuticura Soap and Ointment sold everywhere. Liberal sample of each mailed free with 32-p. book. Address post-card "Cuticura," Dept. 4G, Boston.

FEDERAL RESERVE SYSTEM — SAVINGS BANK—RICHMOND
The Last Day of the Year
is here and you should try and do better next year. Make up your mind to open an account in the Savings Bank and keep it up all the year. The result will surprise you.
Savings Bank of Richmond
Same As National Banks
1117 E. Main St.

ROUNTREE'S
313 East Broad.
"The Gift Store"



Dressing Cases, very attractive and a convenient necessity. Prices, $2.50 and up.

Fitted Traveling Bags, for men and women, containing the best of fittings. One of the most popular gifts. Prices $15.00 and up.

The Public's Awakening to Knowledge

and appreciation of the good and correct in furniture necessitates the meeting of their demands. The survival of the furniture maker and his product depends on his product meeting these demands.

In view of this fact, our success of the past year means that we have met the demands of those who know and appreciate the essentials of GOOD FURNITURE.

The support of our appreciative customers has served to better prepare us to fill their requirements in the coming year.

Then Let Our Success Speak for Itself!

Sydnor & Hundley, Inc.

"Fit Your Furniture to Its Environment"

RYAN-SMITH & Co.
"Low Profit Policy Store"
Broad at Jefferson.

A Work Table in period style of Colonial—just the thing every woman wants. Beauties here in mahogany. Real bargains at the low profit policy prices.

A ROCKER!—the comfortable and attractive chair in any room. We have scores of them—fine mahogany chairs—in all styles and at all prices. May we show you to-day?