

NEW YORK LIFE INSURANCE CO.

Legislative Investigation of It Shows Some Remarkable Business Methods.

LOANED MILLIONS TO CLERKS.

Used Them as Damages to Clear the Books of Undesirable Securities.

New York, Sept. 8.—Today's session of the legislative life insurance investigating committee was devoted exclusively to the affairs of the New York Life insurance company, and a searching examination was made of its officers, who appeared on the stand.

Beginning with the salaries paid to the officers, the line of inquiry extended through all the details of the company's participation in various underwriting syndicates for railroad securities, the New York Life's connection with the trust companies, and, finally, near the close of the day, developed the fact that it was not an unusual thing for clerks or messengers in the employ of the company, with salaries as low as \$40 a year, to sign notes for millions of dollars to be used by the company in relieving its books of undesirable securities.

An interesting feature of the day was the statement that Thomas W. Lawson of Boston might be called as a witness. The committee's chairman, State Senator Armstrong, said if the information Mr. Lawson is supposed to hold could not be secured from other sources the Boston financier would be asked to testify. Not being a resident of the state, Mr. Lawson cannot be compelled to give testimony.

Officers of the New York Life company testified today that on one occasion it became necessary for the company to sell certain securities in order to satisfy the Prussian government. Two clerks signed notes aggregating \$2,250,000, and on the books the securities appeared as sold to these parties, although they really had been turned over to the New York Trust company as security for the loan made on the notes of the two insurance company employees.

It was declared that since 1899 the New York Life insurance company had not been connected with trust companies, but subsequently it was admitted that the stock of the New York Trust company is now held for the New York Life by a committee of trustees. The New York Trust Security company and the Continental Trust company.

The committee adjourned this afternoon until 10:30 o'clock next Tuesday morning.

John Claffin, a director and member of the finance committee of the New York Life insurance company, was the next witness. Mr. Claffin described the company's method of making investments through the finance committee.

The participation of the New York Life to the amount of \$2,000,000 in the syndicate that handled bonds of the Atlantic Coast Line was taken up in this deal, Mr. Claffin said, the New York Life made a profit. He said:

"If the New York Life were to disinvest its holdings carefully and slowly as an individual would, I have no doubt that all such holdings could be sold at a price equal to that for which they were purchased."

In answer to questions concerning the New York Life's participation in purchasing syndicates to hold bonds for a specified time, Mr. Claffin said he did not consider it a serious matter for that company to tie itself up so that it could not dispose of large blocks of stock for a year.

Statements of the cash balances of the New York Life in the banks of the United States and Canada, from September, 1900, to Aug. 31, 1905, were put in as evidence. They averaged about \$12,000,000.

Mr. Hughes asked Mr. Claffin if, with so large a sum at its command, it was necessary for the company to bind itself not to sell the bonds for a year.

The New York Life could with absolute safety tie up three-fourths of its assets for five, six, eight or 10 years," said Mr. Claffin. "There is absolutely no harm in tying our money up. The finance committee could save themselves much trouble if they invested their money in the United States on municipal bonds, and there could be no objection unless some policyholders asked why they were not getting a higher rate."

Mr. Hughes and Mr. Claffin argued as to the beneficial results of these syndicates to the New York Life. Mr. Claffin based his defense of the holding agreements upon the benefit to the vendors of the knowledge that the company would not be in the market immediately to dispose of their holdings, and so compete with the first issue of the bonds. Consequently the company got the bonds at a lower rate and were sure the market would be protected for them, too. No possible harm, he said, could come to the New York Life from the delay in selling the bonds again.

Mr. Claffin said that he may have participated in the syndicate transactions in the last five years, but he had not done so within the last year. He had been in several syndicates, but not in any that sold bonds to the New York Life insurance company. The finance committee, he declared, "acted fully and conscientiously the New York Life." He personally had never made a cent out of New York Life except the working fees.

The participation of the New York Life in the syndicate of International Mercantile Marine company's bonds to the extent of \$1,200,000 was brought up. In this company Mr. Claffin personally was interested to the extent of \$100,000. He said that there was to be no bonus to the syndicate promoters of \$2,500,000.

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The laws of heredity are invariable and the diseased blood of parents is handed down to children in the form of Scrofula. Being thus deeply rooted nothing can reach the disease but a constitutional remedy. The very foundation of the blood is diseased, and until it is purified and made strong, those who are born with a scrofulous tendency cannot have the blessing of robust health.

Cleveland, O., 122 Brownell St. Inherited Scrofula from my ancestry, and this means, of course, weak, impure blood and a run-down, debilitated condition of the system. Treatment of physicians did not do me anything like the good that S. S. S. did for me. It promoted my appetite and digestion, gave strength and energy, built up the general health in every way, and in addition to being an excellent blood purifier, it did more for me than anything I have used, and with pleasant results. I am completely cured of this blighting disease.

S. S. S., the king of blood purifiers, is the medicine that is required, because it changes the quality of the blood by cleansing it of all poisonous impurities, building it up and strengthening the tire system. When S. S. S. has restored the blood to a healthy condition and forced out the scrofulous deposits, there is a sure return to health. No remedy has ever been found to equal this great vegetable preparation for the cure of all diseases arising from a diseased or impure blood supply. If you have Scrofula or any tendency to it, write us about your case and we will send you a book describing the disease and give, without charge, any medical advice you may need.

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preferred stock and \$2,000,000 common stock, but that in all such transactions if the New York Life and members of the finance committee were members of the same syndicate they were necessarily co-adventurers in an investment and that in such cases the New York Life never bought any of the bonds when placed on the market.

Mr. Claffin said that this Mercantile Marine company issue was the only syndicate transaction in which both he and the New York Life participated. Interest was paid on these bonds for one year only, he said. He then stated that the New York Life had bonds of the Chicago & Alton refunding bonds to the extent of \$5,000,000, and that it was only interested to the extent of \$2,500,000 in the Chicago, Burlington & Quincy Purchase syndicate, but that afterward it renounced the amount of its holdings to \$12,500,000 worth of bonds, which were still in possession of the New York Life.

Asked why this increase was made, Mr. Claffin said that whenever bonds turned out better than expected, the New York Life increased its holdings over the initial purchase.

LOOKS LIKE MURDER, Exchange Editor of the New York Times Meets Mysterious Death. New York, Sept. 8.—Jacob H. Thompson, exchange editor of the New York Times, who was found unconscious in his apartment in the St. James hotel today, died at Flower hospital tonight without having regained consciousness. Mrs. Thompson was fully clothed when found. He was in an apparently dying condition.

There is much mystery surrounding the case, Coroner Schooner expressed his belief that the injuries sustained by Mr. Thompson were the result of a fall after a stroke of apoplexy, while the hospital physicians maintain that murder was done. Coroner Schooner was with the injured man to the end, hoping he might regain consciousness and make a statement.

There is no known motive for a mysterious attack upon the editor. Jacob H. Thompson, an ex-editor of the New York Times, today was found unconscious and apparently dying from the effects of a fractured skull, a stab wound and an amputation. In the room at the St. James hotel in Forty-fifth street. The police believe that murder was attempted.

Thompson was found even wearing his eyeglasses, one of which was broken and had cut his eye. Finger marks were found on Thompson's neck, the largest police force similar to that proposed for Morocco and to also organize a body analogous to the federal cortex, to consider questions affecting Barcelona.

Negro Lynched. Brandon, Miss., Sept. 8.—A negro named John McDowell has been found hanging from a tree 13 miles north of this town. McDowell had attacked a white man with a knife, forcing the latter into a barn and keeping him a prisoner for several hours. No details of the lynching are known.

Workmen Kill Two Police. Warsaw, Sept. 8.—At the village of Yucki, near here, tonight a crowd of workmen armed with revolvers, attacked the police, killing two and wounding one. In the suburbs of Yucki, a sergeant was killed, the assailants cutting his throat with his own sword.

Several hoisted attacks on policemen have been reported.

China Orders Flour. Minneapolis, Sept. 8.—The Chinese government today ordered 50,000 tons of flour from the Flour City mill in this city. One of the largest flour-milling companies was given a bid on 10,000 tons of patent flour today and, while prices were just out of line, the possibility of meeting it was not remote.

The offer came from China via San Francisco, and is equivalent to 10,000 barrels.

Immigrants from Bulgaria. Hamburg, Sept. 8.—One thousand emigrants were put on board the Hamburg-American line steamer Graf Waldersee today from Bulgaria, where they had been quarantined for the last eight days. Passed Assistant Surgeon McLaughlin of the United States marine hospital service, after examining the

emigrants, gave the ship a clean bill of health. About 600 of the emigrants are Russians, and the others are from Germany and Austria, with the exception of about 25 who are American citizens. No more Russian emigrants will be booked for the United States until after the raising of the embargo against cholera. The Russians have hitherto constituted the bulk of the emigration from German ports.

M. WITTE AND LOUBET EXCHANGE TELEGRAMS

New York, Sept. 8.—The following exchange of telegrams had taken place between M. Witte and President Loubet of France.

Portsmouth, N. H., Sept. 5.—The President of the French Republic having signed today the agreement with the other of our august master, the treaty of peace, I recall the cordial interview with which you honored me last night in Paris. Knowing your sentiments toward my sovereign and the Russian people, I cannot refrain from advising you of the great event that has just taken place. I am persuaded that this event will serve to strengthen the relations of friendship and alliance which exist between the two great peoples to which we belong, and I beg you, Mr. President, to accept the expression of my profound respect for yourself, head of the great friendly and allied nation.

"SERGIUS WITTE." I am profoundly touched by the sentiments which inspired your telegram and which correspond to the cordiality and fidelity of our own. I hope to see you further furthering your own having so worthily fulfilled the high mission confided in you by my master, the Emperor. I am, Mr. President, ever the peace concluded by the great friendly and allied nation, and is one in spirit with the Russian people.

"EMILE LOUBET."

PUBLIC PRINTER PALMER.

President Summarily Removes Him From Office. Oyster Bay, Sept. 8.—President Roosevelt this afternoon took summary action in the case of Frank W. Palmer, public printer and head of the government printing office at Washington, by removing him from office.

Last Monday the president directed Mr. Palmer to send to him his resignation, to take effect on the 15th inst. At the same time he directed him not to take any further action in the case of Oscar J. Ricketts, foreman of printing, and L. C. Hay, a division foreman in the government printing office, whose resignations Mr. Palmer had requested. Mr. Palmer had given Ricketts and Hay until Tuesday to show cause in writing why they should not be removed from their positions in the event of their failure to resign. He was therefore removed from office by telegraph and directed to turn over the government printing office to Foreman Ricketts.

The latter appointment is believed to be temporary. The president has not yet determined whom he may appoint as successor to Mr. Palmer.

MOROS HAVE BEEN PACIFIED.

And Now It Is Safe for Americans To Travel in Mindanao. Washington, Sept. 8.—Gen. Wood, commander of the department of Mindanao, in a report states that the Moros have been pacified to such an extent that Americans may safely travel in any part of the island, where formerly a strong guard was necessary. Gen. Wood says that in his opinion there is no subject upon which more nonsense has been written than upon

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These are the questions of life. They are answered for every son and daughter of Adam from the teachings of the Prophet Joseph Smith in the book entitled Mormon Philosophy. Soon to be issued from the press of the Desert News. Don't fail to obtain a copy as a CENTENARY SOUVENIR 1805 1905

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the bad effect of the Philippine climate, and he says that sickness in the field is a factor which can be almost "prevented" when simple precautions are observed.

SPANISH WAR VETERANS Resolution Favoring Larger Scope of Pension Laws Adopted.

Milwaukee, Sept. 8.—At the United Spanish War Veterans' reunion today the most important business was the election of officers. For senior vice-commander, Maj. John M. Marland of Buffalo was elected, and Capt. E. K. Kirk of California was chosen as junior vice-commander. Washington was chosen for the next reunion over San Francisco. A resolution favoring larger scope of the pension laws was adopted.

CZAR'S CONCESSIONS. Russian Radicals Claim Credit For Extorting Them.

Riga, Russia, Sept. 8.—The end of the general strike here was announced today by a manifesto issued by the Social Democratic committee. The manifesto states that the socialist movement in Russia brought about the end of the war and effected great improvements in the conditions of the workmen throughout the land. The new national assembly, it is also claimed, is due to the Social Democrats.

The committee commands the workmen to return to work, although having been accomplished for the present.

STATE OF SEQUOYAH. Convention Completes its Work and Adjourns.

Shelbourn, I. T., Sept. 5.—The constitutional convention of the proposed state of Sequoyah completed its work at noon today and adjourned. The constitution as a whole was adopted by a unanimous vote, after several amendments, more or less complete, were made. One amendment provides that no railroad shall pass within three miles of a county seat without entering the town and maintaining a station, and another makes it unlawful to mortgage homesteads which may consist of from 40 to 100 acres of land in a county or one acre in a municipality.

The convention adopted an appeal to Congress asking that the tribal schools which cease to exist after March 4, 1906, be cared for by the national government until the state government shall have been established. These are the only schools in the territory outside of the municipalities and unless Congress provides for them at the coming session they must be closed on the date mentioned, when the tribal government ceases.

Miss Hitchcock to Wed.

Washington, Sept. 8.—Secretary of the Interior and Mrs. Hitchcock have announced the engagement of their daughter, Anne E., to Lieut.-Commander William S. Sims, U. S. N.

Feather Duster Sale Feather Dusters at half price, small, large, light and heavy, split turkey quills so fine that they will not mar the most delicate furniture—strong as the rock of ages, for this week only 25c up. Both Phones 457, remember the number— 44 MAIN ST. Ansiee Brice Drug Co.

W. W. Hall, JEWELER. 217 Main Street. Diamonds, watches, jewelry and silverware. Everything new. All kinds of manufacturing and repairing. J. H. Knickerbocker, the well-known optician, manager. Both Phones.

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BARTON'S SCHOOL SUIT SALE! We're ready for the School Boys. Our remarkable prices and the appearance of our school suits make the inducement to buy here strong. We guarantee our school suits in every way. SOME OF THE SPECIAL PRICES: \$2.00 Suits at \$1.55, 2.50 Suits at 1.95, 3.00 Suits at 2.35, 3.50 Suits at 2.75, \$4.00 Suits at \$3.15, 4.50 Suits at 3.55, 5.00 Suits at 3.95, 5.50 Suits at 4.35, \$6.00 Suits at \$4.75. Also, School Hats, Caps, Shirts, Stockings, Pants, Etc., at lowest prices. Your money returned if not satisfied. **BARTON & CO.** 45-47 MAIN STREET.

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DRESSERS. About 60 in the lot—and each a wonderful bargain at these prices. Oak-finished Dresser, with good mirrors—worth \$12.50—\$7.75. Oak-finished Dressers that were marked \$18.00—\$11.50. Solid Oak Dressers, with swell-top drawers—worth \$25.00—\$16.50. Solid Oak Dressers, serpentine front—worth \$35.00—\$21.50. Mahogany-finished Dressers worth \$45.00—\$28.75. Fine Oak Dressers that were \$60.00—now—\$38.50.

Extension Tables. Various styles—round square and pedestal tables—in the lot. \$7.00 Extension Tables \$4.98, \$12.00 Extension Tables \$7.50, \$16.50 Extension Tables \$12.50, \$25.00 Extension Tables \$16.50.

NEW FALL CARPETS. Best all wool, EXTRA SUPER, Ingrain, Carpets made up and laid on the floor at per yard—80 cts. 80 Cents. This is the carpet end of these great bargains in floor covering. Housekeepers know that it is a standard grade of carpet and one of the most satisfactory for all around use. This lot comes in a fine line of new patterns. Our regular price is \$1.65 per yard—80 cts.

BOOKCASES. An extraordinary opportunity for real money-saving. Bookcases—quarter-sawn oak—were \$25.00—\$16.00. Bookcases—benetglass front—were \$35.00—\$22.50. Bookcases—richly hand-carved—were \$45.00—\$27.50. Bookcases—oak or mahogany—were \$60.00—\$35.00.

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