

**BUCKETING DEFINED  
IN JUDGE'S CHARGE**

**Johnstone of General Sessions  
Sets Forth Lawful Way of  
Handling Collateral.**

**LINE IS DRAWN CLEARLY**

**Broker May Repledge Securities  
Only to Extent of Customer's  
Indebtedness.**

The lawful relations between a stock broker and a customer with respect to collateral security and the handling of security by the broker in a manner to constitute bucketing was explained by Judge Johnstone in General Sessions in his charge to the jury last Monday in a grand larceny case. The text of the charge was obtained yesterday. In it Judge Johnstone said:

"I now charge you as a matter of law that the relation existing between a customer and a stock broker with respect to collateral security in the form of stocks and bonds, deposited by the customer with the broker in lieu of margin to secure and protect him in making advances as against the risk of loss in the execution of transactions for the customer's account, is that of pledgor and pledgee.

"The broker may repledge the securities, but he may do so only to the extent of the customer's indebtedness to him, and only when he has made a purchase or sale for the customer on which he is entitled to protection. When the broker has not made such a purchase or sale which would subject him to loss, such a repledge is a wrongful conversion and constitutes an appropriation of the thing pledged to his own use.

"He cannot use or repledge the customer's collateral for his own individual use. He cannot use it as security for transactions of his own, or of persons other than the customer, or to secure his own individual indebtedness. He can repledge it in connection with bona fide transactions conducted by him for the customer on which there is a risk of loss.

"I charge you, as a matter of law, that if the firm of Minter, Norden & Co., in execution of an order given to them by Keiser, purchased or sold stock through Hanley & Co. (a consolidated Stock Exchange firm through which the defendant's firm did business) and simultaneously offset the purchase or sale, as the case might be, by executing a corresponding order of sale or purchase on or for their own account, with the intention of offsetting and neutralizing Keiser's order and in such a way that there could be no risk of loss to them, such transaction did not represent a bona fide purchase or sale for Keiser or one with respect to which they could repledge the collateral deposited by Keiser."

It was the contention of the prosecution that this was the manner in which the firm had conducted its business, that it held a dummy house account with Hanley & Co. and used it to cross orders placed for a customer's account.

**8054 ON UNIDENTIFIED BODY.**  
The body of an unidentified man with \$654 in a money pouch in a pocket of the clothing was found at the foot of North Thirteenth street, Brooklyn, yesterday by the marine police. The man was 30 years old apparently, 5 feet 9 inches tall and weighed about 150 pounds. He wore a suit of dark green cloth, white underwear and a white shirt, blue necktie, purple socks and tan shoes.

**ITALIAN LINE TO ENTERTAIN.**  
Several thousand New York folk will be entertained next week on board the new steamship Conte Rosso, which arrived Friday after a record run from Genoa. The Lloyd-Sabaudo Line will be host to-morrow, Tuesday and Wednesday at functions including teas, dinners and luncheons on board. At a luncheon by the Italian Chamber of Commerce to-morrow Senator Rolando Ricci, the Italian Ambassador, will be the guest of honor. The ship will sail for Genoa on Thursday.

**BOY HURT IN MYSTERIOUS  
WAY FALLS IN STREET**

**Possible Fracture of Skull,  
Physicians Find.**

For twenty minutes yesterday afternoon two boys, Thomas Giamari and James Fiore, carried the unconscious form of Frank Lara, aged 9, from door to door of doctors' offices seeking a physician to treat the boy, whom they had found unconscious at Henry and Oliver streets. None of the physicians was at home, the boys said, and finally the little fellow was hurried in an automobile to Volunteer Hospital, where he was found suffering from a possible fracture of the skull and bruises of both arms. At the hospital the boy on regaining consciousness gave his address as 104 Bayard street, but the police declared that he was not known there.

Giamari and Fiore said they saw the Lara boy start to walk across Henry street, stop suddenly, his hands clutching at his throat as though choking, and then collapse, an automobile going by was swung to one side in time to avoid hitting the boy.

The police were unable to learn how the boy was injured.

**MORRIS HIGH SCHOOL DINES.**

Five hundred students and alumni of Morris High School, The Bronx, met last night at the Pennsylvania for their twenty-fifth annual dinner and celebration. At the guest table were Jason Rogers, publisher of the Globe, who was born on the estate where the school now stands; John Danahy, president of Packer Institute; Dr. John L. Hildale, Superintendent of High Schools; Judge Louis D. Gibbs and Frank Oliver, Assistant District Attorney of The Bronx.

**HETRICK AND 3 GET  
\$500 MAXIMUM FINE**

**Defendants in Conspiracy Case  
Pay in Court at Close  
of Trial.**

**'CODE' LAWYER SCOLDED**

**Labor Business Agents Reprimanded for Disloyalty to Organizations.**

John T. Hetrick, creator of the "code of practice" for use among contractors in the building trades; Charles G. Witherspoon, president of Baker, Smith & Co., Inc., steamfitters contractors; Martin McCue and John N. Imhoff, business agents of the Enterprise Association, steamfitters' union, local No. 628, who were convicted of conspiracy by a jury in the Supreme Court on Friday, were fined the maximum of \$500 each yesterday by Justice Claude B. Alverson, with the alternative of six months in prison.

All except Hetrick were able to pay immediately, and the lawyer was delayed only a few moments while he sent out for the necessary cash.

Timothy N. Pfeiffer, Special Deputy Attorney-General, opposed letting the four off with a fine. Before imposing sentence, Justice Alverson looked down at the table where McCue and Imhoff were sitting near Hetrick, and said: "I think you are minor figures and

that you really came into it accidentally. You were disloyal to the organization you represented, and for that reason I feel you must be treated the same as the others."

To Hetrick the Justice said: "You were to blame as the originator of the scheme, and you ought to have realized, as an attorney, what you were doing. You have already served time. It is my purpose to impose a sentence which will act as a deterrent in similar situations."

Justice Alverson previously had heard pleas of Max D. Steiner in behalf of Mr. Witherspoon, Thomas E. Sheridan, former Senator, for the business agents, and Robert H. Elder for Hetrick. Said Mr. Elder:

"The Court of Appeals is yet to pass on the questions of law. I will state that Mr. Hetrick, a lawyer of experience, had good legal opinion on which he based his code of practice, and it yet may be declared by the highest tribunal of the State that he did not violate any law, particularly sections 340 and 341 of the Penal Code on which this misdemeanor charge is based.

"In view of the fact that he is still under parole and must report to the Parole Board every week, thereby insuring his conduct in this respect for the next two years, and in view of the fact

that he has already served one year, I ask that your Honor in his case suspend sentence.

"Hetrick does not own a dollar's worth of property. He has nothing in his own name. If he is fined the maximum of \$500 he will have to go to jail unless some kind friend comes forward and advances him the money."

**GAS RATE CUT OFF A MONTH.**

**Brooklyn Borough Company to Get Rehearing on Valuation.**

The reduction in rates of the Brooklyn Borough Gas Company from \$1.25 to \$1.15, which was to have become effective June 1, has been stayed until July 1, the Public Service Commission announced yesterday.

The stay is pending a rehearing of the case on the ground that the company neglected in its first report of capitalization to include a \$60,000 bond indenture. If rates are reduced, counsel asserts, the company will not be able to earn the 8 per cent. on capitalization guaranteed to public service corporations by the United States Supreme Court.

**SOVIET TRADE WILL  
CENTER ON GERMANY**

**Schlichter Envoy to Austria,  
Where Banking Connections  
Can Help Russia.**

Special Cable to The New York Herald. Copyright, 1922, by The New York Herald. New York Herald Bureau, Berlin, May 27.

The Soviet Government intends to trade through Austrian banks, according to the announcement of Gregorovich Schlichter, the new Soviet envoy to Austria. "Austria cannot invest capital in Russia," he said, "but she has banks and connections which can help Russia, while Russia can meet part of Austria's needs in raw materials. Germany will develop concessions and concentrate on trade with Soviet Russia." Schlichter admitted that he had not

found central European business men ready to advance credit to the Bolsheviks. The Russo-German Trade Association here decided, recently that full commercial relations with the Soviet Government could not be resumed until the latter gives further reaching guarantees.

Gregory Krassine will become the Soviet Government's first official Ambassador to Germany since the assassination of Count von Mirbach, the German Ambassador, in Moscow, according to a report from Moscow. Soviet officials here say they now regard Germany as their principal trade center, and for that reason have selected Krassine for the post.

The Soviet Government, however, is having difficulty in finding a suitable representative to send to London, because the British have declared Maxim Litvinoff to be persona non grata. At the same time Adolph Joffe, former Soviet Ambassador in Berlin, could not be returned to that post owing to the German hostility against him, which he brought about by his participation in the German revolution through the use of tracts and money.

Ludwig C. A. K. Martens, former unofficial Soviet Ambassador to the United States, has lost his job as head of the Soviet Government Metal Board. His success in reorganizing the Rus-

sian metal industry was nil, but it was not because of this failure that he lost his job. The real cause was a difference with Litvinoff.

The members of the Soviet Government really expected America to recognize the Bolsheviks at Genoa. As a result, rivalry arose immediately in the Kremlin between Martens and Litvinoff as to who should be the first Ambassador to the United States. Litvinoff finally managed to have Martens railroaded out.

**SING SING CELLS FULL.**

**Surplus Prisoners Are Transferred to Auburn.**

Because of the overcrowding of prisoners in Sing Sing Warden Lewis H. Lawes sent sixty prisoners yesterday to Auburn prison. With 1,157 prisoners now in Sing Sing Warden Lawes has sleeping accommodations for all. He was short of bunks before the transfer.

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SPORTS APPAREL  
FOR WOMEN AND MISSES**

**TWO OR THREE-PIECE  
SPORTS SUITS**

Smart two-piece lightweight knitted wool suits, also summer-weight Jerseys or tweeds in town or country models.

Heretofore \$25.00 to \$59.50 **18.50**

**SUMMER SPORTS FROCKS**

Of knitted wool, Jersey, soft wools or tweeds in the lighter summer weights and smart colorings.

Heretofore \$25.00 to \$49.50 **12.00**

**NO EXCHANGES** **NO CREDITS**

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SILK SUITS AND WRAPS**

*New Models and New Prices*

**SILK VELVETTE THREE-PIECE SUITS**

CONSISTING OF FROCKS WITH SEPARATE MATCHING CAPES OR SLEEVELESS COATS

In white, navy, Vionnet brown or black. **29.50**

**CREPE SILK CAPES  
COLLARED WITH SUMMER FURS**

Black crepe silk with collars of gray wolf, gray or black caracul; crepe silk lined. **48.00**

**CREPE SILK COATS  
WITH SMART WING SLEEVES**

Black crepe silk coats that may be worn bloused or straight; crepe silk lined. **49.50**

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A STORE OF INDIVIDUAL SHOPS

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*Monday—For Madame and Mademoiselle*  
**NEW SUMMER FROCKS ADD TO  
THE GAUITY OF FASHIONS**

**I**N fashion, last summer is farther away than it ever can be in time, for there is a new motif in the mode—the motif of gaiety. All the details of fashion are different, the short skirt of last year looking as unfashionable as the hoop skirt, and the whole mode of yesterday is all forlorn beside the bright embroideries and gay patterned fabrics of today.



*For Madame*

**FROCKS OF  
EMBROIDERED  
IMPORTED LINEN**

*Gray, navy or Copenhagen blue or lavender with white wool embroidery, also white with black wool embroidery*

**18.50**

**IMPORTED PARIS  
FROCKS OF HAND-  
EMBROIDERED VOILE**

*The vogue of embroidery in summery all-over patterns on cool colored voiles*

**29.50**

*For Mademoiselle*

**IMPORTED HAND-  
MADE FROCKS OF  
COTTON EPONGE**

*Hand made, hand drawn; in rose, maize, lavender or blue*

**12.75**

**IMPORTED HAND-  
MADE FROCKS OF  
SHEER VOILE**

*Hand made, hand drawn; hand embroidered, with sheer white collars and cuffs and self colored voile sash*

**18.50**

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