

QUAKER CITY FRAUDS

John Wanamaker on the Witness Stand.

He Explains His Deals With the Keystone Bank.

Several Questionable Transactions Deftly Smoothed Over.

President Harrison Promises to Start a Federal Inquiry—Another Escalation.

Associated Press Dispatches.

PHILADELPHIA, June 8.—A large crowd was present at the meeting of the investigating committee today, attracted by the fact that Postmaster-General Wanamaker had promised to appear and testify to all the knowledge he had in reference to the Keystone bank's management. Mr. Wanamaker was promptly on hand with his son and partner, Thomas B. Wanamaker, and at the conclusion of the examination of Bank Examiner Drew read his statement, which he said was an answer to all the allegations that have connected his name with the Keystone bank, and was at the same time a full and complete statement of all his transactions with the bank. His statement said in substance:

"I have been a depositor only; never was an officer or director; never owned a share of stock; but held, until recently, 2515 shares as collateral. The firm of John Wanamaker, consisting of three persons, had an account with the Keystone bank, and the firm's account by an arrangement with the bank, was made responsible for Mrs. Wanamaker's checks upon the bank, which for convenience were kept in a separate account. It was substantially one account under two heads. Mrs. Wanamaker's account could not be overdrawn while the firm's account had a balance to its credit. Under these circumstances the account was not overdrawn when the bank closed, according to our books, which show a balance in our favor. It is true the bank charged against our account at its settlement a short time before its failure, \$3000, which no one at our office knows anything about, and which we have refused to recognize until it is explained. We kept up our deposits straight through the panic."

Mr. Wanamaker then read a statement showing the firm's deposits in the Keystone bank the months of November, December, January, February, and up to March 20th, reaching the total of \$1,263,896.

"These deposits," says Mr. Wanamaker, "had been gradually decreased, beginning with January, knowing as the public did generally, that March was conferring with the shareholders to raise assessments, and further knowing that it was a common rumor that the bank was short. Our course with the Keystone bank was solely dictated by ordinary prudence of business men. I never knew of any irregularities in the Keystone bank until after the run, when Lucas' indebtedness was made known to the directors, and I was informed that his estate intended to reimburse the bank. Later I was told by President Marsh, for the first time, that he feared some of the stock I held as collateral was not properly issued. I had no knowledge that the bank was going to close when it did. All discounts granted to my firm or myself were made in the customary manner."

Mr. Wanamaker said from the best information he had, the highest amount of a single paper held was \$50,000, up to February, 1890. In that month, in addition to this, he had a discount of \$50,000 for five months which was understood to be to him individually, at the time he received it. Any discounts beyond this are not properly chargeable to the firm's account. On one occasion Marsh called and said he wanted \$60,000 of the firm's paper, as they understood, for country banks. They gave it to him, and for some time pressed the Keystones to turn over the proceeds, and finally got them by piece-meal.

"Before the paper was paid we learned it was in the Keystone bank, and we had an intimation that it had been secured for use at the clearing house."

Wanamaker said he never borrowed personally from the bank except on the one occasion above stated. The paper appearing in his personal account was paper received in the course of business, with which he settled Lucas' indebtedness to him, by reason of Lucas having failed to keep the agreement.

Wanamaker said he never suggested personally, directly or indirectly, to the secretary of the treasury or the comptroller of the treasury for a receivership of the Keystone bank; nor did he in any way endeavor to influence the appointment. He did not know his brother had entered bail for Marsh until he read the fact in the papers while traveling in the west.

He never had a business transaction with Barclays individually or as city treasurer, or with any one representing him in either capacity.

Wanamaker had esteemed Drew highly for years, on his reputation as a bank examiner. After the bank failed he saw Drew twice and talked about the question of establishing a new bank with new men. Wanamaker knew Lucas, in a business way, from early manhood, and never heard a whisper against his business integrity until after he was dead. During '87, upon the belief that Lucas was a rich man, and had knowledge of his investing in various enterprises as a capitalist, Wanamaker told him of his great desire to assist in preserving the independence of the Reading railroad property, and that he (Wanamaker) thought the purchase of certain holdings of stock held by parties inimical to reorganization would be profitable and useful, and invited Lucas to join him in such purpose. The agreement was verbal and to the effect that Lucas was to supply certain sums of money as Wanamaker called for them, and deposit the same to Wanamaker's personal account in the Keystone bank, in accordance, from that time Wanamaker drew checks on that account to the extent of about

\$60,000. Upon several occasions when he notified Lucas that money was needed, Lucas brought him stock of the Keystone bank, which he requested him to use, as it was not convenient to furnish cash at the time. As the result, when Lucas died Wanamaker had 2515 shares of Keystone bank stock so received. After Lucas's death Wanamaker found that he had not made deposits as agreed, and that his (Wanamaker's) account was overdrawn. He immediately made good by closing it with commercial paper received in his business, which was all duly paid. Lucas therefore did not in reality furnish a penny for the purchase of the Reading stock. Wanamaker held, and all the latter had for Lucas' share was the Keystone bank stock certificates. He held this subject to the adjustment of the account. Mr. Marsh and Mrs. Lucas urgently desired, after the run last December, to have the stock returned to the bank. This Wanamaker declined to do. He maintained this position until the bank closed, and then, recognizing that the stock had no money value, and being further assured that if surrendered to the Lucas estate it would help in the rehabilitation of the bank, he surrendered it. What he surrendered was valueless to him, but might possibly help the bank and save others. Being a collateral holder under the law, he could not be assessed upon the stock; hence any supposition that he could have parted with the stock to avoid assessment is without foundation.

Last autumn Marsh claimed that the bank had strained itself to help customers, and wanted help, and the firm paid off all discounts as fast as they fell due. Later, when the run came, Marsh used to come to the firm, saying he had no one to go to, assuring them that everything was right, precisely as he did at the clearing house. He pressed Wanamaker to buy the Lucas building and seashore property, and to loan paper for use at the clearing house to recover other collaterals, all of which Wanamaker declined. About 8 o'clock the night before the failure, Marsh called on Wanamaker in Washington to say that he had been to the comptroller and informed him of his doubts about the issued stock, and asked Wanamaker whether he could in any way help the bank. Wanamaker said no, and the interview closed.

In conclusion, Wanamaker said instead of the bank losing a penny by him, he had only been its profitable customer.

Responding to questions by Eiting, Wanamaker said he borrowed money on the stock Lucas gave him, while there was no question about its verity, and then he gathered it up and held it.

Eiting said he had been told that \$200,000 or upward was obtained at one time from Barclays by Marsh and loaned to Wanamaker.

The latter responded that he never heard of it; he never had controlled Barclays as an individual or as treasurer, directly or indirectly, through Marsh or Jones, or anybody else.

Councilman Smith said: "You now have no other choice except to regard the possession of the Reading stock as fully equivalent for the return of the bank stock."

Wanamaker—I make no claim against the Lucas estate. Examiner Drew in his testimony today said he still thinks the assets of the bank will be able to pay the deposits dollar for dollar. When asked if he included the \$930,000 in due bills held by Barclays, he said he did not, as there were no traces of the money ever having been paid into the bank.

A FEDERAL INQUIRY.

President Harrison Promises to Look Into the Keystone Bank Case.

WASHINGTON, June 8.—The president had a conference today with Secretary Foster and Comptroller Lacey, in regard to the Keystone National Bank of Philadelphia, as the result of which he dictated a letter to Mayor Stuart, acknowledging the receipt of the resolutions of the common council calling for a governmental investigation, and saying he will facilitate a thorough examination of the affairs of the bank to the full extent of his power, and will see that any officer of the government found guilty of wrong doing in that connection is held to strict accountability for his action.

Another Absconder.

PHILADELPHIA, June 8.—Frank Bentin, ex-treasurer of the Millward-Cliff Cracker company, a warrant for whose arrest is out on the charge of conspiracy, with President Kennedy of the wrecked Spring Garden bank, to defraud the cracker company, has disappeared and cannot be found.

A True Bill Against Barclays.

PHILADELPHIA, June 8.—The grand jury this afternoon returned a true bill in the indictment against John Barclays, ex-city treasurer, charged with appropriating funds belonging to the city.

THE YACHT HALCYON.

A New Scandal Unearthed Concerning the Smuggler.

SAN FRANCISCO, June 8.—Victoria Importers have unearthed a new scandal concerning the yacht Halcyon, now at anchor on Barclay sound. It purports to come from one of the Halcyon's sailors, discharged from the crew, and touches on the cruise of the schooner FearNaught, which sailed from San Diego four or five weeks ago, ostensibly to intercept and seize the Halcyon. The discharged sailor's story is that the Fear Naught did meet the Halcyon, but, instead of seizing her, the crew of the privateer took 300 ginger jars from her, and those ginger jars, presumably, contained opium. The transfer was made off the California coast, according to the story, but the Fear Naught never reported anything of the kind on her return. W. H. Whaley, managing owner of the Halcyon, returned from Victoria today. He denies the truth of the story.

More Apache Murders.

TOMBSTONE, Ariz., June 8.—Information was received today of other murders committed by the Apaches who killed Cutchum, in Sonora, last week. After attacking Cutchum and his party, the Indians went to a camp near by and fired upon four men, killing an Italian peddler. There were four Indians in this party. Saturday a band of eight Indians attacked half a dozen vaqueros, killing one of them. Mexican cavalry are in close pursuit.

A REIGN OF TERROR.

The Massacre of St. Bartholomew Reproduced.

Terrible Scenes of Carnage in Port-au-Prince.

An Incipient Revolution Crushed at One Fell Swoop.

No Quarter Shown to Any One Suspected of Being Opposed to Hyppolite's Government.

Associated Press Dispatches.

PORT-AU-PRINCE, June 1.—The massacre of St. Bartholomew has had a reproduction here lately. There had been rumors that a revolution against President Hyppolite was imminent, and these having reached his ears, he caused the arrest of about eighty suspected persons. Among them was General Sully, who hid himself when informed that he was wanted. Failing to secure him his wife was taken instead, and thrown into prison. An outbreak occurred May 23d. A former cabinet minister, at the head of a band of well armed followers, stormed the prison and released 200 prisoners, who were provided with arms, and when Hyppolite's troops arrived there was a bloody battle. The rebels were routed, and their leaders shot at once. By nightfall forty men had been put to death. Others were captured and shot on the three following days. Every man suspected of being in sympathy with the insurgents was put to death without trial as soon as captured. Most of the 200 prisoners released from jail by the insurgents were captured and shot.

The outbreak seemed to have been precipitated by the killing of Ernest Regaud, the most prominent merchant in Port au Prince. Hyppolite suspected him of being in communication with Legitime and of having brought a cargo of arms for the rebels. Hyppolite went to his house with a detachment of soldiers. Regaud denied that he had any arms concealed either at his store or house. The president called him into the street and had him shot down by the soldiers. The next morning a nephew of Regaud's called at Hyppolite's house to ask him about the killing, not knowing his uncle was shot by the president's order. As soon as he stated the object of his visit Hyppolite had him dragged into the street and shot.

About the same time Alexis Rossignol, an inoffensive and much-esteemed man, was shot down without warning. Another man was put up against the cathedral wall and butchered. Seven men were executed in a batch, and even as this letter is being written a volley of arms occasionally tells that another wretch has gone down. There is no fighting in the streets to excuse this. Every execution is carried out in the most cold-blooded way, the executioners being soldiers belonging to the most degraded type of men, and who seem to enjoy the bloody work.

Day and night Hyppolite's troops patrol the streets, searching for persons suspected of being in sympathy with the insurgents. Business is practically suspended. The bodies of the rebels shot are left lying in the streets for hours. Today a grand festival of peace, so called, is ordered by Hyppolite. The festival is to celebrate the fact that the rebels have been defeated and peace established.

It is impossible to enumerate in detail all the murders that have been perpetrated under the name of law. It is estimated that from May 23th to June 1st 300 persons have been put to death. No one can say how long this state of affairs will last, or what the result will be; nor can any one who has not been an eye-witness of the scenes of horror enacted have an idea of the terrified condition of the people of Port-au-Prince.

NEW YORK, June 8.—The steamer Orange Nassau arrived today from Port-au-Prince, and brings the first definite news of the late insurrection in Hayti. The uprising was of a serious character, and which for a time threatened important consequences, but the government repressed the rebellion by prompt and stern measures. The insurrectionists stormed the prison at Port-au-Prince, and a number of prisoners were released, when the military appeared on the scene and captured the whole party.

N. B. Walker, a well known resident of Port-au-Prince, a passenger on the steamer, states that there is considerable excitement in that city. Martial law has been declared. Some sixty persons were shot May 23th. Hyppolite has everything in his own hands, and killing goes on at the rate of two or three persons a day.

ADVERSE TO PLAINTIFF.

The Railroad Commission Decides the Pasadena Rate Case.

SAN FRANCISCO, June 8.—The state board of railroad commissioners today decided the complaint of the city of Pasadena against the Los Angeles Terminal and California Southern railway adversely to plaintiff. The report of the commission says: "From the evidence adduced it appears that the changes made have been injurious to the material interests of the city of Pasadena, and their main complaint on account of the change, has come from that locality. While the round-trip ticket was unlimited and a lower rate commutation ticket could be obtained, very many persons doing business in the city of Los Angeles made their homes in Pasadena and its suburbs, to the advantage of those localities. With the limitation placed upon the round-trip tickets, and the increase in the price of the commutation tickets, the advantages Pasadena afforded as a residence locality for Los Angeles business men, practically ceased. There were, of course, other advantages which Pasadena and the adjoining places derived from the old rates, but the main complaint is this loss of resident popu-

lation, and the loss of the advantages enjoyed through its presence."

Notwithstanding this, the commission finds it cannot compel the companies to restore the rates in force in 1890. It says that, in the case of the Los Angeles Terminal company, the company had lost \$1000 a month since May, 1890, and the increase in rates was necessary to keep the road from going into insolvency.

The report declares that so far as the California Southern road is concerned, it cannot compel that road to restore its old rates, as that would be an injustice to the Los Angeles Terminal company, because the road charging the least would get all the business. The report was adopted.

Jumped Into the Bay.

SAN FRANCISCO, June 8.—An unknown man jumped into the bay from a ferry boat at Oakland this morning, and although the steamer was slowed down and a boat was launched the body was not recovered. As the boat struck the water an Italian passenger jumped in also. He afterwards stated that he thought the ferry boat was sinking.

Maxwell's Fight.

CHICAGO, June 8.—The fight for chief of the horticultural bureau, to which place Mr. W. S. Maxwell was appointed by Director-General Davis, is drawing to a close, and will be settled this week. The California state world's fair commission arrived to-day and is working for Maxwell.

SACRAMENTO'S SHAME.

THE CAPITAL CITY BECOMING A HOTBED OF CRIME.

Another Sensational Tragedy Enacted Yesterday—A Young Lady Shot by a Rejected Suitor Who Then Took His Own Life.

SACRAMENTO, June 8.—Shortly after 1 o'clock this afternoon John Enos Silva Perry shot pretty Mamie Frates, and then himself. The awful deed was committed in a neat cottage on T street, between Second and Third. There were no eye-witnesses to the shooting. Just after noon the mother of the girl left her alone in the cottage while she went to call on a neighbor. Perry was a cousin of the girl, and was anxious to marry her, but the proposition was neither acceptable to her nor her parents. He had been away for some time working in a mill on Big river, in Mendocino county. He returned to the city yesterday, and went to the house of Mr. Frates, father of the girl, and by virtue of his kinship was

ACCEPTED AS A GUEST.

After breakfast this morning, he went away and was not seen about the place until found in a bedroom of the house, with a bullet in his head. He had evidently waited around, watching the place in the hope of obtaining an interview with the girl. From all appearances he had met the girl at the front door, but she wished to avoid him, and started to a back room to escape to the back yard. As she reached the door he fired a 38-bulldog pistol at her. The bullet missed. As she reached the back door he was close upon her, and he fired again. The second bullet struck the poor girl just above the right ear. She must have fallen just inside the door that leads onto the back porch, for a great pool of blood shows that she lay there for some little time. She evidently recovered from the shock and swoon that followed the penetration of the bullets into her head, and endeavored to escape. The hand rail of the steps leading from the door to the yard was red with the blood in which her hands became smeared as she struggled to her feet. This rail and steps, some ten in number, were

A FEARFUL SIGHT, the first being covered with blood from her hands, and the steps dragged with that in which her skirts became covered, as she writhed and struggled on the floor.

As soon as it was learned by the neighbors that murder had been committed, the officers were notified. They rushed to the spot. They found Mamie lying in the yard, conscious though evidently suffering, while Perry was lying on his back in the front bedroom,

GASPING IN THE AGONIES OF DEATH, although he did not die until more than two hours later. Mamie was first seen and carried into the basement of the kitchen, and while Captain Lee questioned her Officer Gibson discovered Perry in the position described above. Messages were sent for the girl's father, who works in the railroad shop, and for a physician. Dr. Huntington soon arrived and attended to the girl, while Perry was taken to the receiving hospital.

Dr. Huntington discovered that the girl had been shot twice. One bullet entered just above her right ear and to the right and above her right eye. Both bullets are imbedded in her head and were not removed. Dr. Huntington fears that the upper bullet penetrated the exterior plate of the skull. He says the wounds are dangerous, but not certainly fatal. The girl was conscious while the probing was proceeding. She is 16 years of age and a handsome Portuguese maiden.

Perry breathed his last late this afternoon at the receiving hospital. Three shots had taken effect. One about an inch back of the right ear, the second above the right ear and the fatal one entered directly below the chin and passed upward into the brain. Perry was about 30 years of age.

OTHER VICTIMS OF VIOLENCE.

SACRAMENTO, June 8.—Mrs. Fassler, the woman assaulted by unknown assassins in the suburbs a few nights ago, died tonight of her injuries. There appears to be no clue to her assailants. At the coroner's inquest, tonight, there was abundant proof that Philip Peyran, who was found dead in a burned building, Friday night, was first murdered. His skull was fractured in several places and fragments of his clothing show knife marks and blood stains.

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