# National Republican.

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## WAS IT A FORGERY?

### *A TRIAL OF MESSRS. GROW AND PEUGH AT THE TREASURY.*

ASSISTANT SECRETARY FRENCH IN A NEW JUDICIAL ROLE—MR. JOHN A. GROW TELLS HIS STORY, AND IS COMPLETELY VINDICATED—AND MR. PEUGH LIKEWISE—EXPERTS SWEAR THERE IS NO FORGERY—A MAN WITHOUT A MEMORY.

A few days ago the case of the United States against Messrs. John A. Grow and Samuel Peugh, charged with forging the name of Caleb Tompkins, of Georgia, the payee of two Treasury drafts, amounting to $1,300, in payment of an award of the Southern Claims Commission, came up in the Police Court. It may be here stated that Mr. Grow paid the amount of the drafts into the Treasury, upon the explicit understanding that his doing so would terminate all further proceedings against him or Mr. Peugh. Mr. Grow at that time, not desiring to disclose his defense, and believing that there was a combination of detectives arrayed against him, because of his connection with the raid against the gambling interests of the city last winter, which resulted in destroying that profitable business, waived an examination. Mr. Peugh, however, asked for a hearing, and, although not a scintilla of evidence was presented against him, the Police Justice *pro tem.*, Mr. Mills, by a marvellous stretch of a poetic imagination, broke through the barriers of law, logic and common sense, and held him to bail for the action of the grand jury.

The proceedings in the Police Court having ended, Mr. Caleb Tompkins next made application for the issuance of duplicate drafts for the entire amount of money awarded on his claim irrespective of the attorney's fee. The attorney in the case before the Southern Claim s Commission was Mr. Peugh, and on Wednesday last, through John A. Grow, acting as his counsel, he sent a letter to the Secretary of the Treasury asking that the duplicates might be issued and delivered to him as in the case of the originals. This communication was referred to Assistant Secretary French, who had the case in charge. Friday, at 10 a. m., was set apart for the hearing of the parties in interest. At that hour appeared John A. Grow, S. A. Peugh and Col. Jack Brown, of Georgia, as their attorney. Mr. Tompkins, with Mrs. Lockwood as his attorney, did not appear until much later.

Mr. S. A. Peugh stated under oath that he had been the attorney of Mr. Tompkins for five or six years in the prosecution of his claim before the Southern Claims Commission, and produced a power of attorney signed by Tompkins in 1872, as well as fifteen or twenty letters written by and received from Tompkins between the years 1871 and 1877 to substantiate or confirm his testimony. A certificate from the judges of the Southern Claims Commission that Mr. Peugh was the attorney on record was also presented.

The witness states that about the last of October, 1876, he obtained from the Treasury Department two drafts aggregating $1,342, one for $335, (his fee) and the other for $100, that he immediately wrote his client (Mr. Tompkins) notifying him of the fact, and requested him to send him a power of attorney with authority to indorse his name on the smaller draft, and as soon as he received his fee the larger draft would be immediately remitted to his address.

Not hearing from Mr. Tompkins, he engaged Mr. John A. Rollings some time during the month of November to sell or raise money on the smaller draft for him; that on the 4th of December he received from Mr. John A. Grow $310 for the smaller draft, transferring on the same day both drafts to the purchaser of his interest in them, and on the next day notified his client of his action. Mr. Peugh closed his evidence by saying that he had never seen the drafts until produced in court.

Mr. John A. Grow was then sworn, and made the following statement: That the drafts were left in his office by Mr. Lazenby or Mr. Rollings on the 23d or 24th of November, 1876. On the next day he met a Mr. Goodman, who stated he knew Mr. Tompkins, and as Tompkins was indebted to him he would engage to procure Tompkin's indorsement, thereby hoping to secure a payment of the debt. Before surrendering the draft he required Goodman to deposit with him $300.

Goodman returned with the drafts properly indorsed, as he thought, about the 3d or 4th of December, whereupon he at once consummated the trade with Rollings or Peugh. The smaller draft was deposited with the Citizens' National bank on the same day, and the larger one some time in January, 1877.

Mr. Lazenby was sworn and corroborated in substance the testimony of Mr. Grow.

In rebuttal of Mr. Grow's testimony Mrs. Lockwood introduced Mr. Gitfillan, who stated that Mr. Grow, in explanation of this matter, had said that the drafts some time in November were intrusted to an ex-member of Congress, who undertook to procure the indorsement of Tompkins.

Upon cross-examination by Mr. Brown, the witness conceded that Mr. Grow may have told him that Goodman was introduced to him by an ex-member of Congress.

Tompkins was next put upon the stand, and admitted that he had sworn in a preliminary trial before Judge Mills that he had never written to Mr. Peugh about his business, and had never given him a power of attorney; that he did not know who was a Republican candidate for the Presidency in 1872, nor who was the Democratic candidate for President in 1876; that his memory was very poor, &c. Peugh's power of attorney and several letters purporting to have been signed and written by witness were presented to him, and witness then admitted that he had written the letters, had given the power of attorney and that Mr. Peugh had been his attorney. This witness is very old, or seems to have lost his memory.

Three experts (so-called) were examined as to the forgery of Tompkin's name on the drafts. After comparing the power of attorney and many of Tompkin's signatures to letters with the indorsements, these wise sires were of the opinion that the indorsements on the drafts were forgeries. Among the experts examined was Detective Benson, who received several telling and caustic thrusts in his cross-examination. To combat and revert the opinion of these trumped-up and improvised experts, Mr. Brown introduced witnesses who swore that the indorsements were genuine. Nine men in ten will swear to the same thing upon examination of the different papers that were presented to the court.

We are assured that Secretary Sherman has given it as his opinion that Mr. Tompkins indorsed the drafts, and those who have examined them and acknowledged signature of Tompkins pronounce them genuine. Eschewing all intention to derogate from the dignity of the character of any witness, we are constrained to say that the experts introduced by Mrs. Lockwood cannot reasonably and under the circumstances be considered impartial. One is the nominal prosecutor who obtained criminal warrants against Peugh and Grow. Another is a warrant clerk in the Treasury, Department, and the remaining one is a detective, and the real prosecutor of Grow and Peugh for an alleged violation of a penal statute. Assistant Secretary French, at the conclusion of the proceedings, which lasted from 10:30 a. m. until 2:30 p. m., took the papers, and will submit his report to Secretary McCormick.

### MATTERS AROUND SCRANTON.

NEW YORK, Aug. 17.—The *Graphic's* special from Scranton, Pa. says the the military guards have been stationed around all the mines belonging to the Delaware and Hudson Coal Company to prevent further damage to property. Under this protection at Mill creek, Pine Ridge and Laurel run a few pumps are being worked, but no attempt is made to get out coal. It is thought that the presence of the military will deter the strikers from committing any overt acts at present. A number of cases are reported where men attempting to work have been set upon and beaten severely.

## FROM THE INDIAN COUNTRY.

ARRIVAL OF GEN. GIBBON AT DEER LODGE—THE LATEST FROM HOWARD'S COMMAND.

By Telegraph to THE REPUBLICAN.

DEER LODGE, MONTANA, Aug. 17.

General Gibbon arrived here at 10 o'clock on Wednesday morning, accompanied by Lieut. Jacobs. He was met at the hotel by all the citizens who did not go to the front, and also by a number of ladies who desired to give the hero of Big Hole Pass a hearty reception. The General is in good health, but little stiff from his wound. He at once sent the following letter to Gen. Terry;

DEER LODGE, MONTANA, Aug. 15.

*Gen. Terry, Commanding Department of St. Paul:*

Have just arrived; wounded getting along well; thanks to prompt assistance sent by the citizens of Helena, Deer Lodge and Butte; they will reach here in three days; Gen. Howard left the battle field in pursuit the day before yesterday; only fifty of his infantry were up, and I sent with him three officers and fifty men. I met Howard's company of 2d cavalry on the Big Hole, and it is probably with Howard by this time. Cushing's two companies of artillery passed here this morning in wagons, and I have ordered them to push down the stage road at forty miles a day, if their stock will stand it; have also telegraphed the commanding officer at Fort Hall to start some of the Bannocks up towards Lemhi and the mountain passes to get information as to which way the Nez Perces are heading. They cannot travel rapidly with their wounded, and the next time they are struck they will be ruined. Many thanks for your cordial recognition of our services in your dispatch of the 13th, received yesterday.

GIBBON, Commanding.

The latest intelligence from Virginia, Montana, to Gov. Potts, is that Gen. Howard's command arrived at Bannock on the night of the 14th, and would leave for Horse Prairie the next morning. All the Chinamen of Horse Prairie are missing, and are supposed to have been killed. The rear guard of the Indians are still on Horse Prairie.

### WHITE SULPHUR SPRINGS.

A SERENADE BY THE MILITARY—SPEECH OF GOV. WADE HAMPTON—END OF THE WAITERS' STRIKE.

By Telegraph to THE REPUBLICAN:

GREENBRIER, WHITE SULPHUR SPRINGS, August 17.

Gov. Hampton, of South Carolina, and Gov. Matthews, of West Virginia, were serenaded last night by the visiting military, the guests including the ladies, participating.

Gov. Hampton made a patriotic speech, in the course of which he said he was willing to pledge the people of the North that if equality in the enforcement of the laws were preserved by the General Government in the North and South, the people of South Carolina would prove as brave, honest and loyal in defense of the Government and Constitution of the United States as any people of the Republic. When he said Constitution he meant all of the amendments and all that they implied. He said we did not need a large standing army, but each State must rely upon its volunteer soldiery for defense. They were then the custodians of our peace.

Speeches were also made by Gen. Bradley, I. Johnson and Gov. Matthews.

The reports from here of the strike of the negro waiters were greatly exaggerated. All difficulties have been peacably settled.

### AQUATIC SPORTS.

A SINGLE-SCULL RACE FOR THE CHAMPIONSHIP OF ENGLAND ARRANGED—A BOLD CHALLENGE TO AMERICAN SWIMMERS.

By Cable to THE REPUBLICAN.

LONDON, Aug. 17.

A single-scull race for £200 a side and an outside wager of £500 to £100 and the championship of England has been arranged between Robert Watson Boyd, of New Castle-on-the-Tyne, and John Higgins, of Shotwell. The race is take place on the Thames on October 9. The race will be rowed over the usual championship course from Lutney to Mortlake. In the last race for the championship Boyd defeated Higgins easily.

C. T. Jones, the champion swimmer, who twice defeated J. B. Johnson since his return from America, has issued a challenge to swim any man in America, a distance of from one thousand yards to six miles, for £200 a side and the championship of the world. He agrees to allow any man who accepts this challenge his expenses to come over and swim in the Thames, or will take reasonable expenses to swim in any river in America.

### AN IMPORTANT LAND CASE.

THE DECISION WHICH GIVES KANSAS 236,000 ACRES OF LAND—MATT CARPENTER AND GOV. CRAWFORD APPEAR FOR THE STATE—SECRETARY SCHURZ'S DECISION.

A land case of considerable magnitude was argued yesterday before Secretary Schurz and Assistant Attorney General Marble by Hon. Matt Carpenter and ex-Governor Crawford, of Kansas. The case involved the title of the State of Kansas to over 236,000 acres of land, being the aggregate of the grant to the State under the act of 1861, admitting Kansas into the Union. This act provided that there be reserved to the State every sixteenth and thirty-sixth section of each township of public lands for school purposes, &c. Prior to the admission of Kansas into the Union, however, nearly half of the territory had been set apart by the Government as Indian reservations. But this land had been ceded back to the United States by the Indians, and the question whether "public lands" covered also the Indian reservation land thus ceded was the point in doubt.

The counsel referred to the joint resolution of 1869, providing for the disposal of the Osage reservation. Congress intended that the 16th and 36th sections of each township of land embraced in the reservation, should be reserved to the State for school purposes in accordance with the act of 1861 admitting Kansas into the Union. This joint reservation it was argued was meant to interpret the meaning of the act of 1861, and so determined the scope of the words "public lands."

The arguments were consequent upon the application to have the land certified in accordance with the interpretation of the act of 1861. The Commissioner of the Land Office was of the opinion that the State is entitled to this land, and Secretary Schurz, upon advisement with Assistant Attorney General Marble, yesterday affirmed that decision after hearing the exhaustive arguments.

### A GOVERNOR WANTS TO PRACTICE LAW.

Gov. Hoyt, of Arizona, has addressed a letter to Secretary Schurz asking if it is improper for him to appear as counsel before the courts. It appears that while Governor Hoyt was Secretary of State he was permitted to practice law, and became a party to many suits still pending. It is to end his connection with the suits already begun t at he desires to practice, to which, however, objection was raised by the Arizona bar. Secretary Schurz, having his decision upon the opinion of Assistant Attorney General Marble, has decided that the Governor cannot appear before the courts as counsel, and has so informed Gov. Hoyt.

### DEATH OF AN ACTRESS.

PHILADELPHIA, Aug. 17.—Miss Lizzie Pierson, an actress, quite well known in Washington and Baltimore, died in this city yesterday after a brief illness. Deceased was twenty-eight years of age, and made her first appearance at the Arch-street theatre, and subsequently became the leading lady of Ford's theatre, Baltimore, holding the position several seasons.

Her last appearance in this city was at the Arch, last winter, where she supported several of the stars. Last spring she traveled South with the George F. Rowe Company, supporting that actor in "Rip Van Winkle." This was her last professional engagement. Deceased was possessed of many virtues, and in both public and private life had a large circle of friends, who will mourn her untimely death.

### A TERRIBLE STORM IN NEW JERSEY

TRENTON, N. J., Aug. 17.—A terrific hail and thunder storm passed over the northern part of New Jersey last night, doing considerable damage. At Carpenterville the track was flooded several inches deep with hailstones and water. A Sunday school picnic at Springtown, seven miles from Phillipsburg, on the Central railroad, was caught in the storm about seven o'clock. One child was killed by lightning and several others were struck down insensible. The storm is pronounced the severest ever experienced in that neighborhood.

## GEN. BOYNTON AGAIN.

### *HIS REPLY TO THE AFFIDAVIT OF COL. WM. B. MOORE.*

HE REITERATES WHAT HE HAS PREVIOUSLY SAID, AND CHARGES COL. MOORE WITH PERJURY—HE PROMISES TO PUBLISH SOME IMPORTANT DOCUMENTS AT AN EARLY DAY.

Gen. Boynton publishes the following in the Cincinnati *Gazette*, of which journal he is the Washington correspondent:

RYE BEACH, N. H., Aug. 13.

The Washington REPUBLICAN of the 8th instant arrived here last night, containing a letter and affidavit of ex-Special Agent Moore, in both of which he reiterates his charge of blackmail, and assumes to give time, place, and circumstances attending a pretended meeting at which your correspondent attempted to exort $500 from him as the price of suppressing certain papers which might be used to secure his removal.

The letter is an attempt to meet the explanation that the primary cause of Moore's removal was the proof presented to the President that he had been engaged with Babcock, Whitley, Nettleship and others in an infamous conspiracy to charge a man with murder in Texas, take him there from Rhode Island and imprison him, for the purpose of preventing his reappearance as a witness before a Senate committee for investigating San Domingo affairs. It is quite unnecessary to multiply words in regard to this matter. The original papers will soon be before the public to sustain all that has been charged, and to show how weak and inadequate the statements of Moore's letters are.

PURE PERJURY.

Moore's affidavit can only be appreciated or properly judged as a work of unadulterated perjury when presented in full. A synopsis would weaken it.

[Here follows the affidavit of Major Moore, which was published exclusively in THE NATIONAL REPUBLICAN, and which gave a detailed account of the alleged attempt of Gen. Boynton to levy $500 blackmail.]

From the beginning to the end of this declaration by Moore, which he attests by the solemnity of an oath, there is not a single word of truth so far as anything concerning your correspondent is concerned. The pretended meeting on Fourteenth street, the walk to Madlox's house, and the alleged conversation there, are one and all deliberate falsehoods.

There was no such meeting and no such conversation as claimed, nor any meeting or any conversation at the Parker house in Boston, either last summer or at any other time. On the occasion to which Moore refers your correspondent had stopped for a day at the Parker house. Moore was on his way back from Maine, where he had been in connection with an infamous statement, which he had long been preparing against Secretary Bristow. Of this work, which was that of a skilled perjurer and a consummate villain, your correspondent was fully aware, as the files of the *Gazette* will show. This, to say the least, is a somewhat unpropitious occasion for Moore to select as one where we met, and where "we, of course, agreed to disagree upon the questions at issue between Grant and Bristow." As a matter of fact we did not exchange a single word.

So far as memory serves, Moore's assistance was not solicited in behalf of Mr. Taylor, as stated. Mr. Taylor, when he visited Washington, had long been in office in Texas, without the fact being even known to your correspondent. Having, at the time changes were talked of in the two offices held by Cincinnati men in Texas, pleasant personal relations with the Secretary of the Treasury, the Commissioner of Internal Revenue and the most prominent Republican Congressman from Texas, it is altogether improbable that Moore, who was not known to your correspondent, should have been asked for any assistance. But whatever the facts may be in this quite immaterial case, this is true beyond any question whatever, namely, that during the year of Moore's connection with the special service of the Treasury, and up to the present moment your correspondent never had any verbal or written communication with him of any kind, and never sought or had communication with him through other parties. This, of course, carries with it a denial intended to be as broad as language can make it of every statement of this affidavit.

Hale, Tingle, Adams, and Sturtevant, thus singled out by Moore, are four gentlemen of high character and known efficiency whom Moore, acting in conjunction with a gang of disreputable office-holders and others in Washington, has long been seeking to have removed. No allusion was ever made to any one of them to Moore or in his presence by your correspondent.

At present such denials as this letter contain afford the only available defense against Moore's falsehood and perjury. When his record, as it exists in his own handwriting and in other shapes quite as conclusive, is fully before the public, both his word and his oath will cease to of value among men.

H. V. B.

### COLLECTOR RUSSELL "NOT GUILTY."

REPORT OF INTERNAL REVENUE AGENT WEBSTER—STRANGE ACTION OF COLLECTTOR BURGESS—PECULIAR EFFECTS OF MENTAL EXCITEMENT UPON HIS VISION OF THINGS—FLATTERING LETTER OF GEN. RAUM TO COLLECTOR RUSSELL.

Mr. E. D. Webster, who was sent by Commissioner Raum to Richmond for the purpose of investigating the charge preferred against Collector Russell, returned to this city yesterday and made his report. It is an elaborate document, and enters fully into the merits of the case.

It may be recollected that one of the principal charges made against Collector Russell was based upon the statement and admission of ex-Collector Burgess, under whom Russell served as deputy and cashier. And it is due to the gentlemen who have conducted the prosecution in this case, and who were prompted to their course by the purest motives to state that they relied mainly upon the testimony of ex-Collector Burgess to establish the charge that he, while collector, obtained the public money from Russell, while the latter acted as cashier and deputy, for his private use, and with the knowledge of Russell that the money was to be so appropriated.

The following statement was made by Mr. Burgess on the 5th of last July, in the presence of Major Sampson P. Bailey and Captain C. W. Burr, and it may be observed in this connection that in the investigation before Mr. Webster, Mr. Bailey swore to the circumstances attending the making of the statements by Collector Burgess:

RICHMOND, VA., July 5, 1877.

*Hon. John Sherman, Secretary of the Treasury, Washington, D. C.:*

SIR: I have the honor to communicate the following facts relative to the administration of the office of collector of internal revenue in the Third collection district of Virginia during the years 1873, 1874 and a part of 1875, when and during said time I was the collector of said district, and Mr. Otis H. Russell was deputy, viz.: Mr. Otis H. Russell was an official in my office from about May 1, 1869, to about May 15, 1875, during which time he was my first deputy, and as such had charge of all moneys received in payment of taxes due the United States on account of internal revenue. I fully confided to him all secrets connected with my office, and the disposition of funds received therefrom.

Indeed, having been unfortunate in investments and speculations in the year 1873, I, in order to save myself from financial disaster, found it necessary to raise money to use. Being unable to borrow it in a legitimate way, I suggested to Mr. Russell that I would use the Government funds received from day to day, and return the same when I could. To that end on the 16th day of December, 1873, I drew $2,000 from him for which I gave him a memorandum due bill. This money was returned in a few days. On or about March 26, 1877, I received from him $1,250 of the Government funds in the same manner, and on or about April 1, 1874, I received from him $2,750, and on or about May 9, 1874, $1,173, and on or about February 12, 1875, I received $2,900. This last amount was to pay for spirits stamps on ninety-eight barrels of whisky, purchased from L. Powers by me, but in the name of a third party. Also, on or about March 10, 1875, I received $3,900; on March 15, 1875, $2,986; on April 15, 1875, $2,984; on April 17, 1875, $1,200; on April 28, 1875, $1,000.

These several amounts are not all, but all that I can find a memorandum of from my bank and check books in use at that time. The last large amounts were obtained for the purpose of paying the bank the money I had borrowed to replace to the credit of the Government the money used and due the Government, when the office was examined on or about the 17th day of April, 1875. I then after that and before the last examination received of Mr. Russell upwards of twenty-four thousand dollars ($24,000) of Government funds for which I gave him my memorandum due bill.

When the last examination was about to be made he held my due bill for $24,000. And I went and borrowed from some friends the amount then due the Government.

I was not aware at the time, nor until lately, that Mr. Russell volunteered the information which resulted in my retirement from the office, and his promotion to the vacancy, but having been so informed, I have resolved to supplant his partial and dishonest report with a full and detailed statement. If he had been actuated by other than selfish and wicked motives in giving this information, he should have done so at least two years sooner than he did.

I make this statement, not because I expect reward, but if in making it I shall protect the Government against such a man, I feel that I shall, to a small degree at least, make some reparation for any wrong I may have done.

The foregoing paper was so minute and exact and its details were so full that it carried upon its face a conviction of its truth, and Major Bailey never for an instant supposed that ex-Collector Burgess would deny the facts above stated after the same had been made in such a solemn manner by him. But, strange to say, when he was called as a witness before the internal revenue investigation, Burgess, while admitting that he did make the statement, and that it was correct in every particular as made by him, yet said the same was not true, and that he made it while laboring under great mental excitement.

Of course, after the denial of Mr. Burgess that Russell never permitted him to use the Government money for private purposes, there was but one course for an investigator to pursue, and that was to exonerate Collector Russell, which he did in his report to Gen. Raum.

Respecting the other charges, they were but of minor importance, in proportion to the greater above mentioned. The following letter was addressed by Commissioner Raum to Collector Russell last evening, and as it contains a recital of the case and the evidence taken before Mr. Webster, a perusal of the same will no doubt fully repay those who have taken an interest in the matter:

AUGUST 17.

SIR: I have this day received the report of Mr. E. D. Webster of his examination into the charges preferred against you by Sampson P. Bailey and Charles C. Fant. These charges, although six in number, have actually been reduced to two, to wit: 1. That you obtained sureties on your present official bond as collector by promising to appoint as your subordinates the friends of said sureties, and that in making your appointments you have been governed by said agreement; 2. That while deputy collector under Rush Burgess you had criminal knowledge of his defalcation for a period of about two years prior to the discovery of the same.

Thirty-one affidavits made by sureties on your official bond and deputy collectors and clerks of your appointment have been filed controverting the truth of the first charge preferred against you. Your own affidavit is also filed wherein you deny said charge *in toto*, and show that of the list of twenty officers and employees in your district only three new appointments have been made since you came into office, two of them by your own authority, and one, a tobacco inspector, by the honorable Secretary of the Treasury upon your recommendation, with the approval of this office. Your affidavit discloses the fact that the persons removed to make place for these disreputables were really non-residents of your district. In opposition to this evidence is the affidavit of Mr. Fant, who joins in preferring the charges against you, who was removed by you as deputy collector, and who by his affidavit shows his residence to be in this city, and the affidavit of F. L. James, both of whom allege that you informed them that you had made such promises.

In response to the second charge you have not only filed your own affidavit denying the charge in unequivocal terms, but you have also filed the affidavit of Mr. Burgess, the person mentioned in said charge, who testifies that the statements made by him to Mr. Bailey (and which I have no doubt constituted the basis of Mr. Bailey's charge) were made under a state of excitement and misapprehension of the facts, and that he is satisfied that they cannot now be substantiated, and that he could not of his own knowledge say that you, while deputy collector under him, ever let him have as much as one dollar of money belonging to the United States Government.

Against these statements is the affidavit of Mr. Bailey verifying the fact that a certain writing marked "A" attached to said affidavit, and dated at Richmond, Virginia, July 5, 1877, and addressed to Hon. John Sherman, Secretary of the Treasury, is the draft of an unsigned letter prepared at Mr. Burgess' house and with his approval for his signature, but which was never signed, wherein the details of the defalcation of Mr. Burgess are made known, and wherein it is stated that he used Government funds from time to time with your consent, commencing December 16, 1873, and which finally culminated in April, 1875, in a defalcation of about $24,000, which, when discovered, Mr. Burgess made good by borrowing the money. It has never been alleged that you, while deputy collector under Mr. Burgess, used any Government funds, or that you in any way received gain or profit by the use of said funds by Mr. Burgess; and it has been known here in the Department that you gave information which led to the discovery of the defalcation.

My predecessor, Mr. Pratt, commended the course you pursued in the premises, and Mr. Bristow then Secretary of the Treasury, with a full knowledge of all the facts, as I understand, recommended your appointment as Collector to succeed Mr. Burgess, and you were so appointed by President Grant.

Various other affidavits are filed, which it is not necessary for me now to comment upon.

Mr. Webster in closing his report says: 'In conclusion, I have to say, that so far as the papers submitted to me go, the charges are not only unsustained, but they are contradicted by the affidavits of Mr. Burgess, and by those submitted by Mr. Russell.

Upon an examination of all the papers, I am glad to be able to inform you that these charges in my opinion have no foundation to rest upon; that you are entirely exonerated from them, and that this office will decline to consider them further.

Very respectfully, GREEN B. RAUM, Commissioner.

*Otis H. Russell, Esq. Collector of Internal Revenue, Richmond, Va.*

### FUNERAL OF HON. RALEIGH T. DANIEL

RICHMOND, VA., Aug. 17.—The funeral of the late Raleigh T. Daniel took place this evening, at 5 o'clock, from the Second Presbyterian church. There was no sermon. Flags are at half-mast, and throughout the city there is an expression of deep sorrow at the loss of Virginia's great and pure statesman. The pall-bearers were Gov. Kemper, Hon. R. M. T. Hunter, Col. McDonald, Gen. Asa Rogers, Auditor Wm. H. Taylor, Col. Thomas P. Evans, Gen. Jos. R. Anderson, Judge W. W. Crump, Col. John B. Young, Maj. L. R. Page, A. Austin Smith, Maj. Robt. Styles, Maj. Phillip Wellford, Capt. Phillip Hoxall, William Green, esq., Judge R. C. Minor and Edward Mayo, esq. The members of the bar assembled at 10 o'clock and framed fitting resolutions as expressions of the deepest regret at the sudden demise of so beloved and prominent a member. Mr. Daniel has been Attorney General of the State of Virginia since 1873, and was renominated at the State convention which met here August 8.

### A NOVEL LOCOMOTIVE.

NEW YORK, Aug. 15.—A new locomotive of peculiar style has been placed upon the Hudson River railroad for the exclusive use of Superintendent Tousey. It is only half the size of an ordinary locomotive, and has engine and tender built together on one frame. It has a cow-catcher at both ends and draws no cars. The cab, which covers the entire boiler, is divided into two apartments, one for the engineer and fireman and the other fitted up with upholstered seats for the use of the superintendent. It has only two driving wheels, one on each side. The engine is kept in the round-house, with steam up, although it sometimes runs out only once or twice in the course of a month.

### REPENTANT BURGLARS.

NEW YORK, Aug. 17.—Augustus Floyd spent yesterday morning in a fruitless attempt to find a clue to the burglars who broke into his house at Englewood, N. J., Saturday night, and after binding and gagging servants, took away about $6,000 in silver plate. When Floyd went into his office at noon he found a stranger waiting for him, who said he knew nothing of the burglary until Sunday night, when he found friends of his had been enticed into this thing for the first time. If Floyd would say nothing to lead to the identification of him and his friends, the property would be restored. Floyd agreed, and the stranger took him up town and restored everything.

## POLITICAL NEWS.

### *AT THE EXECUTIVE MANSION AND DEPARTMENTS.*

### THE NEW ORLEANS CUSTOM-HOUSE.

REPORT OF THE COMMISSION APPOINTED TO INVESTIGATE—TWENTY-FIVE PER CENT. TO BE SAVED TO THE GOVERNMENT IN COLLECTING CUSTOMS THERE.

The commission appointed to investigate the affairs of the New Orleans custom-house have submitted their report to the Secretary of the Treasury, and the same has been printed and distributed to the press. The commission find that the business of the custom-house in former years was one hundred and fifty per cent. greater than at the present time. The cost of collecting the revenue is larger on the basis of the amount collected than in many other places, partly because of the numerous approaches which must be guarded, and for the further reason that more than one half of the merchandise arriving there is for transportation to interior or foreign ports. But making every allowance for the peculiarities of the commerce of the port, the commission is still of opinion that the customs can be collected there with a reduction of nearly twenty-five per cent in the force employed and a corresponding reduction in expenditures incurred.

The report sets forth in detail the changes proposed, and further suggests certain equalizations of labor and compensation. The commission is emphatic in its opinion that the naval office should be abolished, and so recommend. It is not discovered that any person now connected with the custom-house is engaged in any other business, although the commission made thorough inquiries on this point. The report says that the persons holding the chief offices are capable, honest and efficient men, and the force generally is composed of men worthy of their places. The commission further recommend the abolishment of one of the appraiserships, and that hereafter appraisers be required to take their own samples, thus rendering unnecessary the office of sampler.

Finally, the commission reports that in the past a large proportion of the appointments have been made from political considerations only, and such appointments have in many cases been detrimental to the service; but the opinion is expressed that if the reductions proposed be adopted the necessity of appointing none but competent men will render the appointment of incompetent persons to positions in the custom-house for political reasons almost impossible in the future. Closing, the commission say: "While we believe that employees of the Government should have principles, and should be permitted to act politically like other citizens, we at the same time indorse the theory that men should be appointed and retained for integrity and efficiency, and should not be removed merely for an honest expression of opinion."

### VERY FLATTERING TO THE MARINES.

SECRETARY THOMPSON PAYS A HIGH COMPLIMENT TO THE CORPS—GRATIFYING TESTIMONIALS FROM GEN. HANCOCK—CAN'T SAY TOO MUCH OF THE BOYS.

Secretary Thompson yesterday addressed the following letter, which speaks for itself, to Col. McCauley, commandant of the Marine corps:

NAVY DEPARTMENT, August 17, 1877.

SIR: The Department has received from Major General Hancock an official order, wherein he bestows the highest praise upon the marines who have just returned from Maryland and Pennsylvania, under the command of Major and Lieutenant Colonel by brevet Haywood and Captain and Lieutenant Colonel by brevet Forney.

The Major General expresses his high appreciation of the excellent conduct and soldierly qualities "of both officers and men," and adds that "citizens and soldiers are united in admiration of the soldierly bearing, excellent discipline and devotion to duty displayed by them while at Baltimore, Philadelphia and Reading."

The Secretary of War has also forwarded to the Department a copy of a report from Colonel and Surgeon J. M. Cuyler, medical director of the division of the Atlantic, who, in accordance with instructions, inspected the sanitary condition of the detachment of marines at Reading, Pa., in which Medical Director Cuyler says: "The sanitary state of the command is excellent, and the officers evidently took pride in looking after the health and comfort of the men. I do not recollect of ever having seen a more soldierly set of men, or a more orderly and well-behaved set, proving that they are under most excellent discipline. These men are as well taken care of by their officers that I do not really see what the Major General can do to add to their health or comfort. It is quite remarkable that men performing such service are able to keep themselves and their arms, &c., so very clean and neat."

This was to be expected from the well-established character of the marines, but it is none the less gratifying to the Department. And it desires to express through you, to both officers and men, its highest appreciation of their aid, and to assure them of its readiness to co-operate in the adoption of any measures necessary to their comfort and an increase of their efficiency. They are a most important arm of the national defense, and the readiness with which they have responded to the recent summons of the Department to aid in the suppression of unlawful combinations of men, no less than their proficiency in discipline, proves that they may be confidently relied upon whenever the public exigency shall call them into active service.

R. W. THOMPSON, Secretary of the Navy.

*Col. Charles G. McCauley, Commanding the Marine Corps, Headquarters Washington, D. C.*

### A NORTH CAROLINA COLLECTOR REMOVED.

W. H. WHEELER APPOINTED COLLECTOR OF INTERNAL REVENUE FOR THE FIFTH DISTRICT OF NORTH CAROLINA—WHY COLLECTOR WINSTEAD WAS SUPERSEDED.

The removal of Mr. C. S. Winstead from his position as collector of internal revenue for the Fifth district of North Carolina took place yesterday, his successor being Mr. W. H. Wheeler, of Salem, N. C. The removal of Mr. Winstead is not intended as a reflection upon his integrity. On the contrary, he is a very respectable gentleman, wealthy and highly esteemed by all who know him, but Commissioner Raum, who is an official of the strictest business habits himself, has long found fault with the management of Mr. Winstead's office, which unfortunately did not receive enough of Collector Winstead's personal attention and was left to the control of subordinates. Many serious irregularities were the result.

The frauds on the revenue by the manufacturers of tobacco and the distillers of spirits multiplied with an alarming rapidity. The extent of the frauds may be imagined when it is stated that there are now under seizure no less than eighteen tobacco factories. In this deplorable condition of affairs Commissioner Raum urged upon the President the necessity of a change, and the latter, upon a presentation of the facts, ordered the removal of Mr. Winstead and the appointment of Mr. Wheeler. The new collector is recommended by the leading men in North Carolina. He served for many years in the Legislature, and was a candidate for State auditor on the Republican ticket at the last election.

### PROMISING BETTER IN THE FUTURE.

ASSURANCES FROM THE SPANISH MINISTER—EVEN OUR SMALLEST CRAFTS TO BE HEREAFTER INSURED FROM SPANISH OUTRAGES.

A few days ago THE REPUBLICAN called attention to another one of those Spanish outrages that have become so frequent of late, and stated that so determined was Secretary Evarts in his purpose to put an end to these flagrant violations of all treaties and international law that he would, if necessary, send a fleet to Cuban waters. It seems that that statement formed food for reflection in the minds of the Spanish authorities. For now the Spanish Minister (Mr. Mantilla) officially assures the Acting Secretary of State that the Government of Spain is disposed to satisfy the complaints which the United States may desire to make in regard to the cases of the Rising Sun and the Ellen Rispah, even before they are formulated, and to prevent hereafter any cause for similar ones arising. It appears that the acts complained of were both committed by the same officer, a subaltern of a rank equivalent to that of the coxswain in our navy, through misunderstanding or excess of seal. Mr. Mantilla states that the Spanish Government directs him to give to the Government of the United States the assurance that hereafter all the stipulations of the treaty shall be strictly observed, even by the smallest vessels of the Spanish navy, towards any American vessels that may be found along the Cuban coast and within Spanish maritime jurisdiction, and that orders have been given by the Governor General to that effect.

### THE GOVERNMENT BOND QUESTION.

NOTHING THAT WOULD OCCASION ANY FEARS OR DISCOURAGEMENT—THE DEPARTMENT SANGUINE AS TO THE RESULTS OF THE NEGOTIATIONS.

It is thought here that there is nothing in the Government bond market to discourage the Treasury Department regarding the new 4 per cent. bonds. Reference to the history of the sales of the 4½ per cent. bonds shows that the syndicate are having an experience similar to that of last year, with the difference that so far a smaller proportion of the 4 per cents. have come out for resale. After the introduction of the 4½ per cent. bonds there was an interval of a month or two when few bonds were taken from the Department, but the syndicate supplied themselves in open market. In the same way now the syndicate is, from day to day, taking up the offerings in the market, and during the past week purchased a large amount of the 4 per cents, which have gone into permanent investments. The 4½ per cents. were brought out about September first last year, and the syndicate, after supplying all buyers at the outset, did little for the Treasury in October, nothing in November, and it was late in December before wholesale subscriptions were resumed and the business became a marked success.

### BUREAU OF ENGRAVING AND PRINTING.

DAILY REPORT OF DELIVERIES ON AUGUST 17, 1877.

Delivered this day to Comptroller of the Currency—National currency notes, $250,000; Secretary of the Treasury—four per cent. consols, $900,000; miscellaneous, $25,670; total, $1,225,670. Balance on hand at close of day's work—U. S. notes, $17,417,560; N. C. notes, $33,753,705; four per cent. consols, $201,780,150; four-and-a-half per cent. consols, $1,615,100; miscellaneous, $49,788,000; total, $304,062,535.

### ARMY ORDERS.

Second Lieut. S. J. Mulhall, 14th infantry, is granted permission to leave the Department of Platte, with one month's leave, for disability. Leave of First Lieut. Wm. Quinton, 7th infantry, from headquarters military division of the Missouri, is further extended three months. Lieut. Col. Roger Jones, assistant inspector general, is detailed to inspect certain great coats now on hand at the Philadelphia depot of the quartermaster's department, reported as requiring the action of an inspector, and for which Capt. John F. Rodgers, military storekeeper, is responsible, with a view to sell the same to the State of Maryland. First Lieut. George S. Anderson, 6th cavalry, will report in person to the commanding general of the Department of West Point, West Point, N. Y., for assignment to duty at the United States Military Academy. Leave of absence on surgeon's certificate of disability granted Second Lieut. Myron W. Howe, 4th artillery, from headquarters of the Department of Columbia, is extended five months.

### THE SITTING BULL EMBASSY.

Secretary Schurz has appointed Gen. John McNeil, of St. Louis, as one of the members of the Sitting Bull commission. It was the intention of the Secretary, pursuant to agreement in Cabinet, to appoint one of the Indian inspectors of his Department to serve on the commission, but it was found that none of those officials could be spared from the duties of their office. General McNeil is not in the service of the Government and serves without compensation. He is a prominent citizen of St. Louis and was a general in the Union army during the late war. The commission on the part of this Government now consists of Generals Terry and McNeil, and it is expected that these gentlemen will meet in Washington in a few days prior to starting after the refractory Indian chief. Nothing has been yet heard from the Canadian Government as to who will represent it in the consultation proposed.

### ARCHITECT CLARKE.

Secretary Schurz has not yet heard from Architect Clarke. The friends of the latter, however, say that he will satisfactorily clear himself of all charges. They claim that the charges are substantially the same as were preferred against him before one of the investigating committees