We are convinced that your objections to the plan itself and your fear of the ill consequences that may follow its adoption are not well founded, and that in attacking the details you lose sight of the large and controlling motive which from the beginning of this trouble has been in the mind of the President and which has influenced the American representatives in all that they have said or proposed to the mediators.'

"The American government seeks only to assist in securing the pacification of Mexico. It has no special interest in the method or in the person by which that great end is to be accomplished, and if it presses for any particular method or for the selection of a particular type of men it is only because it believes them to be the only means to the desired end. American objections to the plan approved by the Mexican representatives have been based upon the profound conviction that the adoption of that plan would not stop the progress of the victorious army nor bring that speedy peace which the American government so sincerely desires.

The Dominant Force.

"It would be easy at this conference to write an agreement which many would consider desirable; but unless the most excellent of plans and the most excellent of men are accepted by the Constitutionalists, we would only have a paper plan, perfect in form and just in expression, but wholly ineffective to secure peace in war-worn Mexico. To bring that war to a close, to restore peace and constitutional government, is the aim of the President, and that end can only be attained by consulting the just wishes of the Constitutionalists, who are not only in numerical majority, but are now the dominant force of the country.

"Most of those in that party will necessarily be long ignorant of the terms agreed upon at Niagara Falls, but they know men and they do know for what men stand. And if the right man is selected for provisional President they can, and we hope will, accept his appointment as concrete and satisfactory evidence that the provisional government is not intended to prevent the adoption of the reforms, to secure which the Mexican people have risen in arms.

"'If those selected by the mediators to administer the provisional government have the confidence of the Constitutionalists a long step will have been taken toward the pacification of Mexico without furnishing any occasion for alarm to those Mr. Rabasa represents. . . . for if the plan is accepted both by General Huerta and General Carranza the cessation of arms follows and provisional government is established to maintain order, to protect life and property and to call an election, at which every qualified voter may cast his ballot for the President of his choice, while if the plan indorsed by the Mexican representatives should be adopted and a neutral should be chosen as provisional President, we would have secured no practical results, but would still be confronted with the insurmountable fact that the Constitutionalists, now almost completely triumphant, would reject the plan, repudiate the man and press forward with renewed zeal to Mexico City, with all the loss of blood and life that may involve.'

On One Side or the Other.

"In reference to the suggestion that the provisional President should be a neutral, it is said that 'it is manifest that in such a contest as has been waged in Mexico for years, it is not only fair but necessary to assume that every intelligent man of any prominence is at heart on one side or the other, and the country might well question the patriotism of any Mexican who has been colorless in such a contest, and as the provisional President must be to some extent identified with one party or the other, it necessarily follows that to meet requirements of the present situation his sympathies, which really mark the man, must be with the dominant element.

"'The effort, therefore, should be not to find a neutral, but one whose attitude on the controlling issues would make him acceptable to the Constitutionalists while his character, standing and conduct would make him acceptable to the other party.

"'Such a man and only such a man can reasonably be expected to have the confidence and respect of the entire country. If those discussed do not possess the requisite qualifications it is only because we have not succeeded in finding what we sought. You can quite well appreciate how difficult it is for us under the circumstances to do more than we have and to further promise diligently and earnestly to continue the search.'

Elections in Mexico.

"In answer to the contention that there could be no fair elections conducted by a provisional government of which a Constitutionalist was provisional President, the answer of the Americans calls attention again to the fact that in the past the elections in Mexico have been under the supervision of a single Cabinet minister representing the dominant party. By analogy the next election should be supervised by only one officer representing the dominant Constitutionalist party. The American plan seeks to avoid the just criticism against that method, and contemplates that the most important election in the history of Mexico shall be supervised by the representatives of both parties.

"'It is wholly incorrect to assume that thus supervised it will be unfairly conducted, and you may rest assured that all the influence the United States can legitimately exert will be exerted to secure an honest election. Indeed, it is the earnest desire of our government that the permanent President shall be chosen in a manner so free from objection that his title to that high office and the confidence and respect of his people will be strengthened by their knowledge that he represents their free and unfettered choice at an election held, not by one party, as in the past, but by representatives of both factions.

Fair Count of Ballots.

"'It is true that the American plan proposes that a majority of this board shall be Constitutionalists, but that is because they now represent the sentiment of the majority of the people of Mexico. That, however, does not mean, nor should it be construed to mean, that thereby the American government seeks, as you say, to force an election in favor of the Constitutionalists. So far from that being true, our experience in this country with bi-partisan boards leads us to believe that this is the most efficient method that can be devised to secure a fair election and a true count of the ballots.'"

A matter not directly or indirectly referred to in the Mexican statement is omitted. The letter concludes with the statement:

"'We are happy at the opportunity your note gives us to repeat that the United States wants nothing except the good of her sister republic. The United States is a party to the mediation in the hope that it might lead to peace and that the peace will lead to prosperity. The plan which the American representatives propose, and on which we must insist, has been formulated solely with that end in view. Actuated by these motives, we feel that we may appeal to you and through you to the other Mexican representatives to read again our plan in the light of these words.'"

Views of the Mexicans.

Summed up, the Mexican view as expressed to-night is as follows: The fundamental error of the American delegates and their government lies in the assumption that the Constitutionalists represent the views of the majority of the Mexican people, whereas they represent those of scarcely more than one-eighth. The secondary error is the assumption that there are two dominant parties in Mexico, as there are in the United States, whereas there are half a score of parties. Therefore an election dominated by the Constitutionalists would lack the confidence of seven-eighths of the people, including the members of all the parties other than the Constitutionalists.

Therefore, it is contended, many states of Mexico where there has been no revolution and where the people have been merely passive observers of the revolution in the north, would resent what they would consider having foisted on them a Constitutionalist government by the United States.

It is maintained that all who seek a fair election must perceive that the plan of the mediators, a government composed of two Federals and two Constitutionalists, with a neutral head, is a perfectly fair one. And it is suggested that did Carranza represent even a small majority of the Mexican people he would not hesitate to accept that plan, his determination not to do so being conclusive evidence that he realizes that he has not the sympathy of the majority of his fellow countrymen.

Whether or not the Mexican delegates will issue a formal reply to that of the Americans will not be determined until to-morrow.

When the statement of Señor Rabasa became public last night the American delegates announced that they would immediately issue an outline of their reply to the memorandum sketched by the chairman of the Mexican delegation. In an effort to draft their reply and in conversations with Washington the American delegates spent the greater part of the night. At 2 a. m. they announced that their reply would be deferred until this morning, but they continued their work until 3 a. m. Exhausted, they then retired, but resumed their labors early this morning.

The Americans received the statement, an outline of which was made public this morning, last Friday. They replied with little delay and to that reply the Mexicans immediately replied, asserting in their answer that the Americans had ignored the fundamental contentions of the Mexicans and had dealt almost exclusively with points of lesser consequence.

Fair Election Impossible.

It is admitted that, following the atrocities which have been committed in Mexico, to a greater or lesser extent on both sides, it would be difficult to find either extreme Huertistas or extreme Constitutionalists who could work together to procure a fair election. Those on both sides have suffered, not the scourge of political speeches on the hustings, but the injury of fathers and brothers killed, of wives and daughters ravished, of material wealth forever destroyed. For these reasons the Mexican delegates urge the selection of a neutral provisional government as the only feasible way of bringing order out of chaos and insuring an administration at Mexico City which will command the loyalty and respect of all Mexico, and as the only practical method of avoiding further bloodshed.

Mexican advices indicate that the split between Carranza and Villa is of far graver nature than the members of the Constitutionalist junta in this country are willing to admit.

The Mexican delegates were advised this evening that the officials of the United States at San Antonio had informed President Wilson that the break between Villa and Carranza was an actual fact, and that they added that this break had been effected by intrigues between American promoters who have received extensive oil and mining concessions in Chihuahua and Sonora.

Villa and Angeles Dreaded.

While press reports from Washington indicate that the administration would welcome the superseding of Carranza by Villa, it is evident that the Mexicans here regard Villa with far greater dread and loathing than Carranza. One report has it that Villa would favor General Felipe Angeles for president of the provisional government. This nomination would be as repugnant to the Mexicans as that of any other man whose name has been suggested. They both abhor and dread Angeles personally, aside from their conviction that no election conducted under his direction would be worthy of the name, or would command the slightest respect from the Mexican people.

The Mexican delegates, who have been exceedingly loath to discuss the situation for publication, say they are at a loss to comprehend the opposition of President Wilson to the plan proposed by the mediators and agreed to by them. They say that from the first they have understood that President Wilson regarded two points as essential—first, the elimination of Huerta, and, second, the holding of a fair and a constitutional election. They have assented to both and now, from their point of view, the administration in Washington is causing the mediation to come to naught by insisting on conditions which would absolutely preclude a fair election.

Emilio Rabasa, head of the Huerta delegation, said that he would not decide until to-morrow whether or not there would be a reply to the American statement. Minister Naon of Argentina might not return from Harvard until late to-morrow, and the full conference probably would not take place until to-morrow night, or possibly Saturday.

CARRANZA AND HIS ADVISERS.

Left to right, seated—E. Escadero, Minister of Foreign Affairs; Governor Maytorena of Sonora, Carranza, General Pesquiera and Antonio la Pena, Carranza's legal adviser. Standing behind Carranza is Major Trevino, chief of staff.

FORESEES FAILURE OF PEACE PARLEYS

"The Post," of London, Thinks Wilson Will Revert to Watchful Waiting Policy.

[By Cable to The Tribune.]

London, June 19.—"Complications in Mexico" is the leading editorial in "The Morning Post," which says:

"It seems probable that the Mexican conference will end in failure and that President Wilson will revert to his policy of watchful waiting until the issue is decided by force of arms. This means that the existing situation in Mexico, which the President described as 'intolerable' almost a year ago, may continue for an indefinite period, and it is even doubtful whether a decisive Constitutionalist victory would lead to a final settlement.

"From time to time there have been reports of acute differences between Carranza and Villa. Each is, no doubt, hoping that the prize of the Presidency will fall to him, and an open rupture is said to have taken place between them. There seems to be some doubt whether the quarrel will be composed, but even if a truce is now patched up between them there is certain, sooner or later, to be a struggle for the mastery when and if they succeed in deposing the common foe.

"It looks very much as if President Wilson will be forced to face the prospect of armed intervention in Mexico in the interest of humanity if for no other reason."

RESEARCH GIRL IS DEAD

Miss Mabie, 20, and Pathologist, Succumbs to Diphtheria.

Miss Marion C. Mabie, daughter of Mr. and Mrs. Ralph R. Mabie, of 5 Edgewood Park, New Rochelle, died there yesterday from heart disease following diphtheria.

Miss Mabie was twenty years old. She intended to devote her life to pathological research, and was a research student at the Polyclinic Hospital in this city. Friends fear she contracted diphtheria from her work in the laboratory, but officials of the hospital, and particularly Dr. F. M. Jeffries, of Pleasantville, denied last night that this could have been the case.

"It is ridiculous to suppose that Miss Mabie contracted diphtheria in her laboratory work," Dr. Jeffries said. "In all the history of research work at the Polyclinic there has been just one case of that sort. A student, extremely careless, did inhale some diphtheria germs and contracted the disease. Miss Mabie had nothing to do with diphtheria in the laboratory and could not have contracted the disease there."

Miss Mabie was a member of the New Rochelle High School girls' basketball team which won the championship of Westchester County in 1911. She was extremely popular in New Rochelle society.

VILLA DENIES WAR AGAINST CARRANZA

Adds Nothing Will Be Permitted to Interfere with the Revolution.

Torreon, Mexico, June 18.—General Villa to-day issued the following statement regarding his relations with General Carranza:

"I have received to-day many telegrams from different newspapers in the United States asking what is the matter between General Carranza and myself. I already have said through The Associated Press that there is nothing between General Carranza and myself which has in any way altered our military policy. I now will go even further, and say that there never will be any differences between General Carranza and myself that will interfere with the work of the Constitutionalists.

"It would be folly for any of the leaders to impede or in any way hamper the great work now that we are almost within reach of our goal. It would be simply madness to wrangle about individual differences. We will fight the enemy of our people and his minions until we have vanquished them. After that has been accomplished you may rest assured that all Mexican patriots will do their duty, and, shoulder to shoulder, will work for the good of all."

GOULDS IN TAX SUIT

George J. Sues Howard and Wife to Foreclose Lien.

George J. Gould brought suit in the Supreme Court yesterday against his brother, Howard Gould, and the latter's wife, Mrs. Katherine Clemmons Gould, to foreclose a tax lien amounting to $54,609 on the property at the southeast corner of Fifth av. and 73d st.

The plaintiff bought the lien on the property from the Collector of Assessments and Arrears, and he now seeks to establish the validity of the lien. Unless the defendants pay the amount of the lien they will forfeit any interest they might have in the property.

Howard Gould and his wife are living apart, under a decree of separation which Mrs. Gould obtained. He is paying her $36,000 a year alimony. In case the defendants permit the lien to stand Mr. Gould will lose his interest in the property and Mrs. Gould will lose her dower interest.

RICH, BEGS WAY TO CELL

Man, Sent to Workhouse, Had $12,000 in Three Banks.

From West End av. to the workhouse on Blackwell's Island is the fate of Joe Vono, who was picked up Wednesday night in Third av. by Patrolman Cunningham, of the East 51st st. station, and accused of vagrancy. The case went over to last night to give Probation Officer Coffey a chance to investigate the case.

Coffey reported that the prisoner lived at 42 West End av., had expensively furnished rooms there and three bankbooks that showed deposits of more than $12,000. On Third av. he had all the appearance of a sincere mendicant, and his breast was decorated with an assorted lot of shoelaces, displayed ostensibly for sale.

When Magistrate Simms heard the report he imposed a sentence of fifteen days on the island.

AGAIN SINCLAIR HAS NO PLACE TO SPEAK

Mrs. Gould Doesn't Want to Offend Tarrytown Neighbors—Withdraws Invitation.

Upton Sinclair will have to recall his invitation to John D. Rockefeller, jr., to attend a meeting Sunday afternoon on the estate of Mrs. C. J. Gould in Tarrytown, at which the author planned to speak on the Colorado situation. Mrs. Gould announced last night that she could not permit the meeting because some of her neighbors objected, and she did not wish to annoy them.

When President Pierson could not hire a hall and make good his offer to give Sinclair and Leonard Abbott an opportunity to air their opinions in good, free speech, Mrs. Gould came forward and offered her Grecian theatre. The meeting will be held on the Croton aqueduct if Mayor Mitchel gives his consent.

Miss Belle Zilberman, one of the Rockefeller "mourners," announced yesterday that a rag doll, found in the trench at Ludlow in which eleven women and two children died, was being brought here. It is much torn and soiled and it will be placed on exhibition next Tuesday in the Labor Lyceum, 84th st., near Second ave., to arouse sympathy for the Colorado strikers.

PEACEMAKERS ARE BUSY

Friends Trying to Bring Villa and Carranza Together Again.

[From The Tribune Bureau.]

Washington, June 18.—The State Department has received telegrams from several centres in Northern Mexico, mostly from American consular officers, which state that friends of Villa and Carranza are making vigorous efforts to bring the two rebel leaders together.

One of the important telegrams received to-day came from Collector of Customs Cobb, at El Paso. Mr. Cobb is in close touch with the Constitutionalists. He reported that an understanding would probably be reached between Villa and Carranza.

The administration received information of an adjustment with rather mixed feelings. It is primarily interested in Constitutionalist success, which would mean the elimination of Huerta, but it is also dissatisfied with Carranza. If Villa should reorganize the Constitutionalist government by eliminating Carranza and putting some other leader in his place the administration would be well pleased.

VILLA RUSHES BIG ARMY TO ZACATECAS

Takes Action on Learning of Advance of Federals from San Luis Potosi.

[By Telegraph to The Tribune.]

Torreon, Mexico, June 18.—Fifteen troop trains are carrying General Pancho Villa's main army to Zacatecas to-night. General Villa will follow within two days, unless there should be a change in the situation in the north which requires his presence. In that event General Felipe Angeles will direct the Zacatecas battle.

The departure of the army to-night was hurried. General Villa received news this afternoon that General Pascual Orozco, with nearly 10,000 Federals, had left San Luis Potosi and was moving to reinforce the Zacatecas garrison. To check Orozco's advance, it is said, Villa has ordered a flank movement around Zacatecas, as it is believed that should Orozco's force reach Zacatecas the Federals would begin a movement toward Torreon.

Villa is sending 18,000 men and forty-five cannon to the south. They will join the nearly 10,000 men of Natera's army, and the Federals will be met by the largest army the rebels have yet put in the field in one body.

COURT DECIDES RELIGION

Cohalan Says Evidence Proves Mollinaro Girl Protestant.

By the ruling of Justice Cohalan yesterday twelve-year-old Margaret Mollinaro is a Methodist.

The girl's parents were Catholics. On the death of her mother about a month ago she was given into the care of Dr. and Mrs. W. F. Jones, a Methodist family. Also for two years she had been a communicant of a Methodist Church.

When the Jones family decided to adopt the girl the matter was called to the attention of the Surrogate by the Rev. Thomas J. Lynch, of the Catholic Protective Society.

"I will not allow a Protestant to adopt a Catholic child," said Surrogate Cohalan yesterday, "nor will I allow a Catholic to adopt a Protestant child, nor a Gentile a Jewish child or vice versa. But I hold, according to the evidence, that Margaret Mollinaro is a Protestant child. The girl says she wants to be a Protestant and grow up one. There is no testimony here that she ever made her first communion in the Catholic Church, nor has she been confirmed in the faith."

Mr. and Mrs. Jones will now qualify as guardians.

FILM SHOW IN CHURCH

Entertainment Society to Make Practice General.

The Old First Church, at Fifth av. and 12th st., was turned into a moving picture house last night, to the joy of two hundred children and as many adults. The Church Entertainment Society, believing that children can be kept off the streets in this maner, was sponsor for the transformation.

The films were of the everyday kind, alternating instruction and amusement.

The society hopes to interest the clergy in transforming silent and empty churches into places of amusement for the poor on summer evenings. A number of pastors have approved the idea.

Among those interested in the experiment are Mrs. John H. Flagler, Mrs. Nelson H. Henry, Mrs. R. U. Johnson, Mrs. J. Heron Crossman, Mrs. Simon Baruch, Mrs. Charles Merritt Field, Miss Juliet Thompson, Miss Sophie Irene Loeb, Dr. Percy S. Grant, Dr. Howard Duffield, Edward R. Johnstone, Paul Poindexter and Mrs. Mai S. Thomas. Most of them were present last night.

END OF MEDIATION EXPECTED TO-DAY

Mexican Statement Interpreted as First Step to Blame U. S.

NOTHING IN SIGHT TO BREAK DEADLOCK

Washington Said to Believe Rebels Have Long Road to Travel to Oust Huerta.

[From The Tribune Bureau.]

Washington, June 18.—The efforts of the A B C mediators, of Huerta and his delegates and of the government of the United States to find a solution of the Mexican problem by conferences at Niagara Falls are expected to end to-morrow.

Many officials here believe that the Mexican delegates in issuing a statement last night declaring that the American insistence upon a Coustitutionalist to head the provisional government would be fatal were simply laying the foundation for a case against this government. They are intent, it is believed, upon presenting their argument to the world first, placing the blame for failure on what they allege to be the unreasonable contentions of the United States.

It is feared in some quarters that the A B C mediators will take a similar attitude and that if this proves the case the mediation, instead of placing the United States in a good position before Latin-America, which was one of the prime reasons for the participation of the United States in the project, will have an opposite effect.

Nothing to Save Situation.

There seems to be little chance of the presentation of new proposals which will save the situation. The Constitutionalists, in spite of the disagreement between Carranza and Villa, are adamant on the questions of non-participation in and non-acceptance of the result of the mediation. They declare they would rather fight for triumph in Mexico City and control of the government.

Until to-day officials of the government have professed optimism and hope that the difficulty would be bridged over. Now, however, officials are "afraid that to-morrow marks the end" of mediation. Secretary Bryan still expresses hope, but as he is optimistic under the most adverse circumstances his hopefulness is discounted throughout Washington.

Mr. Bryan said this afternoon that he had not the slightest intention of going to Niagara Falls to make representations to the mediators. There was a report in circulation here, emanating from high quarters, that Mr. Bryan believed that the only way to save the situation was for him to go to Niagara Falls and there adjust the differences that have arisen.

No one in Washington seems to know just what the administration will do when the Niagara Falls conferences come to an end. It is believed certain that there will ensue a period of watchful waiting to see if the Constitutionalists will overthrow Huerta by force of arms.

Troops at Vera Cruz.

If the mediation fails there will be no withdrawal of American forces from Vera Cruz. The army will also be kept on the border and the garrison of troops at Texas City will be retained. It is expected, if mediation fails, that Huerta will ask that Vera Cruz be evacuated, but this will not be done.

With the failure of mediation the so-called armistice between Huerta and the United States will come to an end. It is not considered likely that the United States will take aggressive action unless Huerta does, and the chances of Huerta doing so are measured only by his possible desire to precipitate American intervention in order to bring to the Mexican capital soldiers of the United States rather than those of the Constitutionalists.

USE CAR AS PATROL VAN AFTER ARREST; FOIL GANG

Patrolmen in Battle to Capture Man Who Started Gaynor's Anti-Clubbing Crusade.

"Tanner" Smith, a longshoreman, of 432 West 17th st., said to be the leader of a West Side "gang," was lodged in the West 20th st. station yesterday evening after a fight with two patrolmen. It was only after a streetcar was commandeered that the officers finally secured their captive from a number of his followers who rallied to his support.

Patrolman Michael Krozer, of the West 20th st. station, was attracted by revolver shots near Tenth av. and saw Smith pursuing another man along the street, firing as he ran. Krozer overhauled Smith and a fight ensued.

Patrolman Derleth came to the aid of his fellow officer. When the two policemen had partially subdued Smith a number of "gansters" went to his assistance, and the officers were compelled to stop a streetcar to get their prisoner to the station house.

Smith has the reputation of instigating the issuance of the famous "Gaynor non-clubbing" order, which the former Mayor caused to be put in effect in the Police Department. Smith's predeliction for "scraps" with members of the force brought on his arrest one evening. His face and body showed marks of the fray, and, when released, he sought an audience with Mayor Gaynor and displayed his scars. As a result the order was given out that patrolmen should not use their nightsticks when making an arrest.

Huerta Congress on Peace.

Mexico City, June 18.—The standing committee of Congress this afternoon passed the executive bill calling for an extraordinary session of Congress, to convene on Monday. It is understood that matters relating to the peace negotiations at Niagara Falls will come up for consideration.

NICARAGUA TREATY STIRS UP SENATORS

Committee Will Investigate Activities of American Bankers.

WILL INQUIRE HOW THEY GOT CONTROL

Bryan and Nicaragua's Attorney Heard on Effect of Convention Provisions.

Washington, June 18.—A sweeping investigation of the relations between the Nicaraguan government and American bankers interested in that republic and the part the American State Department may have played in Nicaraguan affairs probably will be undertaken soon by the Senate Foreign Relations Committee. Before the committee consents to the proposed treaty with Nicaragua it is practically certain that it will use every means in its power to obtain all possible information bearing on the treaty and what it means.

Secretary Bryan and Charles A. Douglas, attorney for the Nicaraguan government, were before the committee for several hours to-day discussing this treaty, which would give the United States interoceanic canal rights and naval bases in exchange for $3,000,000 and the practical establishment of a protectorate over the Central American country.

Mr. Bryan said that American bankers owned 51 per cent of the stock of the Nicaraguan Railway, and that the other 49 per cent was hypothecated for $1,000,000 to the same bankers, and was in danger of being sold under foreclosure proceedings. He said part of the $3,000,000 might be used to prevent such foreclosure and allow Nicaragua to retain a large interest in her railroad. Mr. Bryan also said that the same bankers controlled 51 per cent of the stock of the Nicaraguan National Bank.

These two statements were heard with interest by members of the committee, and its members are said to be eager to learn how Nicaragua turned over her railroad and her national bank to American financiers. Interest was also shown in the question of whether most of the $3,000,000 is to get into the Nicaragua treasury or go to politicians and others. Mr. Douglass declared he believed the money would get to the Nicaraguan government.

Mr. Douglass explained that the people of Nicaragua desired the ratification of the treaty to prevent further revolutions and establish a permanent and stable government. He agreed that it would tend to preserve in power for the present, at least, the administration now in office.

Senator Smith, of Michigan, a member of the committee, who already has proposed an investigation of this matter, issued to-night a statement declaring that the payroll of Nicaragua was filled with Americans, and intimating that political intrigue by banking interests had figured in putting the present Nicaraguan government in power.

Brown Bros. & Co. and J. W. Seligman & Co., who, with Speyer & Co., were mentioned in the resolution introduced by Senator Smith, of Michigan, in the United States Senate directing the Committee on Foreign Relations to inquire into certain transactions between the republic of Nicaragua and the bankers, sent to Chairman Shively yesterday a letter taking up in detail the various charges made.

The preamble of Senator Smith's resolutions made certain positive statements, every one of which, so far as it relates to them, the bankers said, were incorrect. Their letter, in conclusion, said:

"Generally speaking the bankers have not only not brought reproach upon the American government, as charged, but, on the contrary, they have, without compensation, put through in Nicaragua a creditable piece of constructive financing.

"They have aided Nicaragua to adjust its foreign debt at a reduced rate of interest; they have assisted Nicaragua in settling its disordered currency; they have aided Nicaragua in improving the collection of its custom revenues, which have largely increased in consequence; they have greatly improved the condition and operation of the railroad of Nicaragua. For the purpose of making the above possible they have loaned large sums to Nicaragua from time to time and have purchased 51 per cent of the stock of its national railroad and 51 per cent of its national bank. The bankers have received no dividends on the shares, either of the railroad or the bank, and neither enterprise is at present in a condition to declare dividends."

CANOE UPSETS; TWO SAVED

Boys Cling to Overturned Craft for Half an Hour.

Two Brooklyn youths, Joseph Williams, of 342 57th st., and John Morrisey, of 6207 Fifth av., who had hired a canoe at Emmons Dock, Coney Island Creek, were capsized yesterday afternoon in the Narrows off Seagate. The lads clung to their overturned craft, but though they were only about 400 yards from the pier of the Atlantic Yacht Club they were not seen for more than half an hour on account of the height of the waves.

They were rescued by John Bradley, a Coney Island boatman, and after they had been dried out at the yacht club house were able to take back their canoe.

A body washed up yesterday on Manhattan Beach was last evening identified as that of Thomas Jordan, jr., son of Captain Jordan, of the yacht Ituna, who with his friend, Clarence Brown, son of Police Sergeant Brown, of Fort Hamilton station, was lost with his canoe from Bensonhurst March 29. Brown's body is still missing.

BALD HEADS PLAN BANQUET

Club Officers Meet—London Wants Constitution.

Winsted, Conn., June 18.—Officers of the Bald Head Club of America met here to-day and arranged for the annual banquet, to be held at the Hotel Winchester October 29.

The club has applications for membership from every state in the Union, and from London and Paris have come requests for copies of its constitution and bylaws. Hartford, New Haven, Bridgeport and Pittsfield, Mass., have already made a bid for the 1915 banquet.

John Rodemeyer, the Canaan editor who created the Bald Head Club of America, was elected toastmaster. J. Martin Sauter, Roscoe Benjamin and L. T. Stone were elected honorary members of the club.