was seen speculating in the street, and I be-lieve, though I cannot prove it, that that is THE REAL SECRET

of this coormous defalcation. Baldwin has fallen, as many a man before thin has fallen, first by obliging his friends with other people's money, and then by trying to cover up his crime by speculation. I was so astounded tast night that I could hardly beastounded last night that I could hardly be-lieve my own eyes and ears. I had known Baldwin from his boyhood up, and I had the most implicit confidence in him, as did all the Directors and the citizens of Newark, and when I was confronted with the confession of his crime, I was almost stupefied. After hearing his confession, the board deeded to call his counsel and go straight to the Government with the facts, so that the Beard of Miscotors with the facts. that the Board of Directors might be held gulitless. We called in

and told him the condition of affairs, and he advised us to apply for a Receiver at once We then passed a resolution to appoint a committee of two to go to Washington, see Controller Knox, and act his directions. The Hon. George O. Halsey and Henry C. Howel were appointed on this committee, and they started for Washington at 10:30 last night Howel They were to telegraph the result of their Interview with the Controller, but we have not heard from them yet. We supposed tha Mr. Knox would appoint a Receiver, and we instructed the committee, if he decided on that course, to suggest the appointment either of ex-Sheriff E. N. Miller or Mr. J. C. Emory. A committee was then appointed consisting of Stephen II. Condict, and James

and take his advice in regard to the advisabil ARRESTING BALDWIN

F. Bond, to see Counselor John C. Emor

ARRESTING JALDWIN.

They went to Mr. Emory's house at 11 p. m., and calfed him out of bed. He advised the immediate arrest of Baldwin, At 3 o'clock this morning Mr. Pond saw A. Q. Keasby, the United States District-Attorney and told, him all the facts. Affidavits were made by Mr. Keasby, and the United States Commissioner issued awarrant for the arrest of Baldwin. The warrant was served at 7 o'clock this morning, while Baldwin was in bed.

HE SHOWED NO SUMPHISE. HE SHOWED NO SURPRISE.

and was ovidently expecting the arrest. He said that he would not give ball, and that he was content to pass his life in prison. 'I shall never be seen on Broad street again,' he exclaimed. He was placed in charge of Henry M. Burnett, Deputy United States Marshal, and allowed togremain in his own Was any proposition made at the meet

"Was any proposition made at the neeting last night to make good the deficiency?"

"A proposition was made, but the amount was so large that it was impossible. Had it been any reasonable sum, the money would have been pledged on the spot and paid in at the bank today, and nobody but the bank's officers would ever have known of the defalcation. Mr. George C. Halsey, before Baldwin made his false statement, said: "If \$500,000 will cover this deficiency I will supply the money."

"If a million dollars will cover it," said Mr. Clark, "we will raise the money before we leave this room."

"Gentlemen," said Baldwin, "the bank is

rulned.
TWO MILLION DOLLARS WILL NOT SAVE IT."
"Of course, this statement put an end to all ideas of making good the deficit, and the one only plan was to close the bank and turn it over to the Examiner this morning, which we did."

"HOW WAS IT POSSIBLE," asked the reporter, "for Baldwin to falsify his books and reports for so long a time without being discovered by the officers?"

"In the first place, we had the most im-plicit confidence in Mr. Baldwin. He had grown up with the bank, and was honred and trusted by all the officers, as well as the community at large here. The and community at large here live extravagantly, and there absolutely nothing to create a suspicion against him in our minds. In the second place, he did not take the funds kept on deposit of the bank here. He operated en-tirely on our balances in New York. For many years the Mechanics' National Bank of York has been our bank of deposi in that city, and we had on an average from in that city, and we mu on an average constitution of the state of the money has all been absorbed by the defatea tion of Baldwin, and at our meeting las-

night

HE HEAD US A LETTER

from our New York correspondents, in which he was called upon to make good an overdraft of \$400,000 which he had made.

The west our balance in New York overdraft of \$400,000 which he had made. He used our balance in New York for his own purposes, and made false balances in our books to deceive us for twelve years. It is not probable ne could have taken this enormous sum from the vaults of the bank without being detected, but being trusted so implicitly, he was able to manipulate our funds in New York without attracting suspicion."

The gentleman went on to say that the bank received regular reports from New York of the balance to its credit here, but they went to the Cashler and

HE FAISHPIED THEM IN HIS REPORTS to the Directors. The bank has been examined once a year and the defalention never discovered. The Directors never took the trouble to write to New York and see if the accounts were all right. It is impossible, he says, to gone estimate the executive that the says to gone estimate the executive that the says and the says are set of the says to gone estimate the executive that the says are set of the says to gone estimate the executive that the says are set of the says are says to go the says to say the say the says the says to say the say the says the says the say th says, to even estimate the amount which will be saved to depositors, and on this subject he added:
"I understand that there is about \$500,000

in the bank vaults. The stockholders are responsible for the amount of the stock which they hold, which is \$500,000 more, making a million in all. How much more will be realized I can't say. It's very doubtful yet whether the full amount of the defalcation is known. It may be considerably more than \$2,000,000. This crash is

This crash is

Likely To helm A great many proper.

The Halsey family alone owned \$125,000 of the stock, and this represents a loss to them of a quarter of a million. The money of many large firms is locked up in the bank, and, what is still sudder, The little fortunes of many small manufacturers are involved in the suspension. I am adraid several failures in Newark will be the result of Baldwin's crime, It is reported that he took \$100,000 from the yaults of the bank and made good his overdraft in the Mechantes' National of New York last Saturday, but whether this is true or not I cannot say,"

The moreoco manufactory of the Nazawa and more process manufactory of the Nazawa and The moreoco manufactory of the Nazawa and The Manufactory of the Manufactory of the Manufactory of the Man

The morocco manufactory of C. Nugent & The morocco manufactory of C. Nugent & Co. in Newark is in Halsey street, near Market, and the firm has a large store at No. 182 William street, in this city. Christopher Nugent, the head of the firm, before his arrest last night was reported to be

sick in nen, and the Times reporter who called could not see him. His brother, James M. Nugent, was found at the factory, but he was very noncommital when questioned in reto the dealing of the house the Mechanics' National Bank, He said, however, that it was absurd to suppos that the firm of C. Nugent & Co., had absorbed \$2,909,000 of the bank's money. He somed State of the bank's money. He dealed that the house was on the verge of busicantey, and said that they were doing a large and naring business. Mr. Kirkpatrick, the partner of Frederick A. Teese, the counsel of Nuront & Co., admitted, however, the Judge Treas had been in consultation Nugent in regard to at additionally of making an assignment The business of the firm is said to the firm i

amounts to \$4,000.

THE MECHANICS' NATIONAL BANK
was chartered as a State bank in 1831, and
became a National bank in 1835. It was used
by the City of Nowark, the County of Essex,
and nearly all the large corporations of Newark as a place of deposit for their funds,
while many of the smaller banks used it as a
clearing-house.

IT WAS IMPOSSIBLE TO DISCOVER ALL who were involved by the failure, and the cavy depositors, when called upon, all enled that they were embarrassed by the suspension. It was reported that the Leices-ter Brothers, proprietors of the Fertilizing Works, had falled, but the report was dealed at their factory. The firm had quite a large sum on depost in the bank, but is not, it is claimed, at all embarrassed. Ballentine & Sons and Gottfried Krueger, the browers, sons and continued krineger, the brewers, were also heavy depositors. The City of Newark had \$34,000 in the bank. The Water Board had \$137,000 to their credit, and the sinking-fund account had about \$0,000 to pay coupons which fell due tomorrow. The County of Essex had on deposit about \$35,000 to meet the payment of the free bridge bonds tomorrow, and

THE MUTUAL BENEFIT LIFE-INSUBANCI COMPANY OF NEWARK COMPANY OF NEWAIRC
Has at times had as much as \$500,000 deposited in the bank, but Mr. McMott, the President, says that he withdrew \$68,000 on Friday, and has deposited no money in the bank since. The German State Banking Company, a savings institution, used the Mechanics' National as a clearing house. Julius Stoppf, the Cashler, said that all the money now on deposit belonging to the company is between \$0,000 and \$7,000. It is believed that tomorrow several failures will occur in Newark on account mey now on deposit belonging to ny is between \$0,000 and \$7,000. It I that tomorrow several failures or in Newark on account will occur in Newark on account of the suspension, Oscar L. Baldwin, the defaulting Cashler, is 45 years of age, and was one of the best because and west respected mun in Newark. known and most respected men in Newark. He is a vestryman of Trinity Church, and has always been looked upon as a model of uprightness and business integrity. As a financier he was looked upon as a manuferr ne was rowed upon as having no equal in the State of New Jersey, and his opinions on finance were reparded as oracles by the average Jerseyman. He entered the bank when it was a State Institution, twenty-nine years ago, as a boy, and worked his way up through clerkships until he become paying teller. After the death of Matthias paying teller. After the death of Matthias W. Day, the Cashier, in 1802, Baldwin was made Cashier and has served in that capacity ever since. He received a salary of \$7,500, and had apparently always lived within his means. He resided in a brown-stone house, but that is believed to have been purchased by money of his wife, who brough him \$30,000 on her marriage.

HE MOVED IN THE HIGHEST CHICLES of Newark society, and besides his connec-tion with the bank was a Director of the Newark City Ice Company, the Mutual Benefit Life-Insurance Company of Newark, the Newark Cas-Light Company, and the Mt. Pleasant Cemetery, and Vice-Presi-dent and Treasurer of the Merchants' Insurance Company of Newark. He has a son and daughter who, with his wife, are highly esteemed in Newark. His bondsmen as Cashier were Phineas Jones, Congress man elect, and Matthias M. Dodge, of Eas Orange, the bond being for \$20,000. He w admitted to ball by Commissioner Keasby in the sum of \$25,000, William A. Freeman, William H. Baldwin, and Matthias Dodd justifying as his bondsmen.

THE CONFESSION.

IT IS DELIEVED TO HE LARGELY A LIE. Special Duracte to The Chicago Tribune. New York, Oct. 31.—A Newark special to the Times says Baldwin's statement is as

follows:

I have been Cashler of the Mechanics
National Bank of Nowark, N. J., for
about eighteen years, or since its organization
as a National bank. I called upon the
Directors yesterday to make a statement of the had any intimation of the deficiency before that time. No other person in the bank, to my knowledge, had any information and knowledge concerning the deficiency. The deficiency began, I think, in 1873, in loans made to Nuwont & Co., morocco manufacturers, in Nowark. They kept an account in the bank. These loans were made irregularly by me for Nuyont & Co. That is, they were made without taking proper security, and having once beg n to be made in that way, Nugent & Co.

FELT ME TO BE IN THEIR POWER and increased their demands, and from tha onward, from month to month, the loans and in in this irregular manner by me to Nuger in this fregular manner by me to Nugent & Co. have constantly increased. They would amount to \$50,000 a month sometimes, sometimes to more. Their business was very large, and was largely extended. They spont a large amount of money in buildings and machinery, and were constantly in need of money. Mr. Nugent has always assured me that he had enough money to pay his debts, and that every dollar he borrowed from me would be paid. I felt that

would be paid. I felt that

I COULD NOT RECEDE FROM MY POSITION
with him without ruin and exposure, and so constantly compiled. I told him from time to time
that this was the bank's money, and that it must
be returned, and he promised always that whenever I insisted he would turn over everthing to
the bank, in order to make the loans
good. But the deficits, nevertheless, kept constantly increasing, until they reched at first
\$1,000,000, then \$1,500,000, and finally have
reached over \$2,000,000. He drew out of the
bank sometimes as high as over \$200,000 in a
month. In fact, his drafts during the present
month of October amounted to over \$200,000. month. In fact, ms drafts during the present month of October amounted to over \$20,000.
The usual manner in which the money has been taken has been for Nugent to deposit drafts on different parties in New York, and for me to furnish him the money and either to take them up in New York, which advances were not entered on the books of the bank, or to make a deficiency on the books of the Mechanics' Blank.

make a denotency on the books of the Mechanics' Bank.

IT WAS PERIFECTLY UNDERISTOOD by Mr. Nugerit that he was obtaining money of the bank for his own purposes without giving any security, and by heregular methods on my part. He was perfectly well aware that this was a toreed lohn and that he had his hand on my throat. On the 28th day of September, that being the day of Gardolis's funeral. I had a long interview with Mr. Nugent, and told him the indebtedness then amounted to over \$4,000,000, and that I proposed to stop—that I could not carry this thing on any longer. He then said he had property county to pay every dollar that he owed, and more too; that he had finished stock in his factory worth \$109,000 or \$5,50,000, and amount that was in progress of fursions. He said he could give more which he could his his within a mount that was in progress of fursions. He said he could give me \$50,000 or \$6,50,000, and amount that was in progress of fursions. He said he could give he \$50,000 or \$6,50,000, and amount that was in progress of fursions. He said he could give he \$20,000 or \$6,50,000, and he would reduce his findshiedness at least \$2,00,000, and that he could reduce it from that thine on very rapidly, as he had very little to pay outside, and a very large stock. Then I said: "All right, I will try it for three weeks longer." Mr. Nuccelling the next month be than to pay during the next month, During the past month he had to pay during the next ments from the total on ment ments. During the past manth he had to pay during the next ments from the total on the payments which had to be made for him were at least twice the amount which, he stated a month ego. These founs were overfarfts, and known to be such by Mr. Nugent. The Books well FIXED IT WAS PERFECTLY UNDERSTOOD

THE BOOKS WERE FIXED to cover the overdrafts on the ledger to cover the overletts on the ledger in his no-counts. He would make drafts on friends in New York and give them to me, which drafts 1 would take care of by checks on the Mechan-ics' National liants of New York, which were not entered on our books and our books show \$2,000,000 to our credit in the Mechanics' Bank of New Kr, whereas we own them. of Newark, whereas we owe thom. I can say that almost the entire losses and de-ficience existing in our bank are to be ascribed to the loans made to Christopher

nt, as have detailed. I have not, and never ny interest in the business of Christopher at. I never derived any profit from the made to him. OSCAR L. YOUNG. Nugent refuses to make an assignment to

WALL STREET.

WALL STREET.

OBLATIV SHOCKED.

Special Dissaich to The Chicago Tribune.

New York, Oct. 31.—Wall street bunkers were naturally greatly shocked at the revelations concerning the fallure, and few could believe the statement as to its magnitude. Many declared that the Cashier of no National bank could have managed, however shrewd his manplutations, to possess himself of so great a sum as that named. Manager William A. Camp, of the Bank Clearing-House, was among those who discredited the report. "I don't see how it could have been possible," he said," for any bank officers to have faken such an enormous sum as \$2,000,000, and I am free to say that I believe the rumors that reach us are not only unofficial, but are gross exaggerations." One authority averred that Mr. Baidwin was recently invited to accept the Presidency of a prominent banking institution in this city, a flattering pectulary inducement being tendered him. It was elsewhere said that he had also

REFUSED A TEMPTING OFFER to join a Wall street firm. Mr. Baldwin came to the city twice a week regularly, and wa on such occasions always to be found in "the street," making his headquarters in a "the street, broker's office. The occasion visits to Wall street was the the interest of The occasion of thes Newark bank, and it was not generally sup posed that he speculated in stocks; but when today's news came many matters considered worthy were th weight, Many circum to remembered which a not before given much stances were remembered which a the time of their appearances were deemed meaningless, and as they recurred and were discussed the conviction grew that the New ark Cashier had not wholly revealed himself. that his semi-weekly trips to the neighbor hood of the New York Exchange were

SIGNIFICANT. As late as last Saturday Mr. Baldwin was In New York. He moved actively through Wall street, visiting the offices of a number of well-known brokers. The recollection of this fact today was the basis for stories which were in circ throughout the day, some going so far as to name operators through whom the Cashler had speculated heavily, even pointing to stocks upon which he had placed and lost the money of his bank. Few doubted the rumors of heavy speculations in which the Mechanics' funds had been used by Mr.

THE CRASH.

NEWARK, N. J., Oct. 31.—The following appeared on the doors of the Mechanics' Na tional Bank this morning: "Closed in con sequence of statements affecting the bank made by the Cashier to the Board of Directors yesterday, which are now undergoing investigation." The bank was regarded as the strongest in Newark. Stock stood 180. The announcement that the bank had suspended flew like wildfire, and the excitement among the depositors is intense. The amount of shortage is reported to be from \$200,000 The President is Joseph A Halsey; Cashler, Oscar L. Baldwin. State Bank Examiner came The State Bank Examiner came to the city Friday, examined the State Bank, and announced his intention to ex-amine the Mechanics' today. When Bald-win learned of this he is said to have called a meeting of the Board of Directors yesterday and announced to them that the bank could not stand an examination. The Directors offered to make up \$500,000, but were informed that \$2,000,000 would not cover the

deficiency.

The amount of one firm's obligations is stated at \$700,000. The City of Newark will be a loser, the Aqueduct Board having been a depositor to the extent of \$120,000, and the City Treasurer to the amount of SEC. 000. is not definitly known what disposition has

City Treasurer to the amount of \$135,000. It is not definitly known what disposition has been made of the lost funds.

Baldwin, the Cashier, was arrested by Deputy United States Marshal Burnet. He was in bed, where he still lies, completely prostrated. He is said to have confessed at a meeting of the Directors yesterday that he had been robbing the bank from time to time during the past three years, and it is stated that during that tune he had been speculating in Wail street. District-Attorney Kensley says the books here show the Mechanics' National Bank of New York owes the broken bank \$200,000, whereas he says the real amount, as the Government and bank authorities believe, is only about \$200,000, the difference having been used by Baldwin to cover uphis deficiency. Baldwin, in his confession, exonerates all the others but himself from blame. The arrest was made on the affidavit of Keasley and Director Bond.

MR. BENJAMIN B. BHERMAN.

Bond.

Mr. BENJAMIN B. SHERMAN,
President of the Mechanics' National Bank of this city, through which the broken bank of Newark did its New York business, discussing the failure with a reporter, made the following statement: "We owe them nothing. They owe us over \$200,000. We have paper which we cashed for them in the nature of bills receivable to full the amount of their indebtedness. The Newark bank did a discounting business, and the paper we cashed for them is paper they cashed for their customers. Most, if not all, of its not due yet, and examination shows that it is their customers. Most, it not all, of it is not due yet, and examination shows that it is probably all good—that is, we can, we believe, "collect all we loaned on it from the makers of the paper."

"How is it possible for the cashler of a bank, in a place as small as Newark, to embezzle as much as \$2,000,000, and not be found for three years?"

for three years?

for three years?"

"It is not possible at all. He don't do anything of the kind. The capital of the bank is \$500,000; its surplus some \$475,000; its deposits about \$2,000,000. He would have had to steal all the capital, all the surplus, and over \$1,000,000 from the deposits. It could not he done and it was not done." not be done, and it was not done.

THE BANK'S LAST STATEMENT, issued in October, showed liabilities as fol-eks... tionul-banks...

failures are expected. It is said all that is left of the resources of the bank is it's build-ing, worth about \$50,000. CASHIER BALDWIN WAS ARRESTED

CASHIER BALDWIN WAS ARRESTED by a United States Marshal on an affidavit of a Director, who charged him with confessing to the board yesterday that he had fraudulently misused over \$2,000,000 of its funds. The Directors are in session with closed doors, and the wildest rumors are affect which are impossible to verify. No suspicion is yet felt toward any other than the Cashler, who had the unlimited confidence of the President and Directors. The Cashler, fearing a visit from the National Bank Exis yet felt toward any other than the Costiler, who had the millialted confidence of
the President and Directors. The Cashler,
fearing a visit from the National Bank Examiner, called the Directors together yesterday, and confessed the terrible condilion of
affairs. The city and county had about \$40,000
cach on deposit, the Water Board \$123,000,000
and manufacturing companies smaller
amounts, preparatory to November dividends. It is not yet known where the money
has gone, but it is alleged the Cashler has
been engaged in Wall street speculations, If,
as seems probable, Baldwin goes to State
prison, there will be three bank Cashlers
confined there—Baldwin and Hedden, of
Newark, and Berry, of Hackensack. It appears that Baldwin has not away with everything but the gafe, which was a very heavy
one. The bank held all the deposits of the
old Matual Life Company, amounting to, it
is said, between \$500,000 and \$1,400,000, as
this sum was available. Not a tenny, it is
believed, will be saved from the general
wreck.

He stroke \$24,00,000 AND 18 BAILED FOR

WIECK. HE STOLE \$2,400,000 AND IS HAILED FOR \$25,000. Cashler Baldwin, while confined to his residence, was walted upon by the United States District Attorney and Commissioner Reasley, and admitted to ball in \$25,000 to appear at court Nov. 7. His bondsmen are William A. Freeman, of Bloomleid, his brothers William II. and Theodore F. Baldwin, and Matthias M. Dodd, of East Orange. BALDWIN THEN STATED

voluntarily that about the year 1873 he began

to make loans to C. Nugent & Co., moroccomanufacturers, without security or sanction of the Directors. Having begun, he was he the power of Nugent & Co., and continue the accommodations, sometimes loaning the \$50,000 in one month, till the total increase to a rulnous amount. Nugent assured his he had a large property and capita in the business, which would make all th in the business, which would make all the loans good. Nugent was well aware h (Baldwin) was using the bank's money, and always promised to surrender his preerty in case of any trouble. Under the circumstances the loan increased fill i reached over \$2,000,000. The manner in which this business was transacted was this which this business was transacted was this: Nagent would give drafts on friends in New York, which would be credited to him as eash, and Baldwin would use the bank's money to take up the drafts when due. The books were so faislified as to show the accounts to be correct. Finally, however, the losses were placed in the accounts of the Mechanics' Bank of New York, agent of the Newark Bank, so that while it appeared that the Newark bank and claims for \$2,000,000 against the New York bank, in truth the Newark bank owes the New York bank \$200,000. This difference is almost wholly due to the Irregular transactions with Nugent. He said he had speculated very little, and lost portions in that way. District Actorney Keasley says Nugent can be held liable for his part of the transaction under Sec. £,200 of the United Sintes Revised Statates. A rumor that Nugent made an assignment today was premature. His accounts are involved with the bank's, and await further developments. Nugent would give drafts on friends in No. the bank's, and await further developments

CURRENT RUMOR s, of course, endless and varied. The mail is, or course, encloses and varied. The main fact is the old and painful story of stock gambling, robbery, and ruin. Cashier Baldwin is at his own house in bed. The affidavits upon which Baldwin was arrested allege a confession of the crime, and that the abstractions were covered up by false er tries, that the amount taken exceeds \$2,000 000, and that the bank is insolvent an ruined. What this implies may be imagined from the fact that the Mechanics' Bank has hitherto stood in the very front rank among the Newark banks, having been rank among the Newark banks, having been most prosperous during the indiceontury since its charter, and has been paying dividends of 14 per cent, 7 per cent seni-annually. In fact, the Mechanics' was considered the strongest and safest bank in Newark—almost too prudent and conservative. Its Board of Directors includes some of the weathliest and foromost citizens. How the loss will be distributed cannot now be known. It is reported that there will be some very painful and ruinous commercial "inferciags" in the way of fallures of houses which the Mechanics' Bank had/been "carrying." Supposed instances are freely named, but it would, of course, be unjust to give publicity to those names at the present time, when nothing is positively known. The defaulting Cashler had long been both esteemed and liked in Newark, and his follows in office in other Newark banks seem to be as much grieved as surprised. This is saying much, since prosperous during the half-centu

would as soon have thought of one of the churches turning over and standing on the tip of its spire. While Baldwin was making the statement to the Directors Sunday, con-fessing his own guilt, the bells on Trinity Episcopal Church, of which he was a member, and to which he had subscribed liber ally, were calling the faithful to worship little, indeed, did Baldwin's old church friends think, as they sat in church las night, that one of their leading lights was a that moment confessing himself a thief

It appears that Baldwin was at one time Trustee of a prominent Newark sayings in stitution which deposited in the Mechanics Through some mis resigned, and the savings-bank withdray their account from the Mechanics', thus guarding against the present failure. A he office of the Newark Mutual Benefit Life-Insurance Company

the oline of the Newerk Muthal Benefit Life-Insurance Company
Life-Insurance Company
of which Baldwin is a Trustee, the excitement was intense. The President of the company left for Newark immediately upon receipt of the news. The company is involved, it is understood, quite heavily. One of the officers of the insurance company said they had never before experienced such a shock. Baldwin was a man of unimpeachable character. He was married, and was the father of four children. In social circles he was regarded as one of the leaders, and his reputation as a financier was unexceptionable. Baldwin positively refuses to see anybody with the exception of his personal friends. To persons calling at his house his son answered that his father, being sick, could not see anybody at all, especially reporters. Haddwin's wife and his children, two boys is and years, sidd at his belatical flow.

funds of the bank for the loans made the Up to date Nugent received more than \$2,000,000 out of the funds of the bank. The modus operandi was that Nugent & Co. gave checks for New York firms to pay some money to the bank from time to time, and the tunds of the bank were used to pay the drafts of the firm. The entries in the book are falsified so that the Directors thought the

business of the bank was all right.

were well aware of the fact that I used the

ousness of the mark was an Fight,
a wealthy morocco manufacturer of the firm
of C. Nugent & Co., was arrested this overling at his house by a Deputy United States
Mushal on a charge of alding and abetting
Cashier Baldwin in embezzling funds from
the Mechanies' National Bank. He gave ball
in 825 (OU La mayor, the charge, The arrest. in \$25,000 to answer the charge. in \$25,000 to answer the charge. The arrest was based on the voluntary statement of the Cashler in regard to the loans to Nugent. Nugent's bondsmen were George B. Jenkinson and James Smith Jr. The complaint against Nugent was unde by United States Commissioner A. Q. Keasby.

THE BANK SEEMS TO HAVE BEEN THE BANK SEEMS TO HAVE BEEN
INEXTRICABLY involved with the extensive
moreoco manufacturing firm of C. Nugent &
Co. The State Banking Company, whose
funds were nightly deposited there, were
somewhat embarrassed by the failure of the bank, but drew from it some \$12,000 in bo which were also denosited there. posited them in the Essex County Bank. QUITE A RUN
was made upon It, and Ald, Weidenmayer

was made upon 11, and A10, vendentances drew out his entire deposit of \$5,000. The company, however, only had about \$7,000 in the Mechanics', and the officers have no fears of its safety. Among the depositors who will greatly feel their loss just at this time are the Republican nominee for Sheriff, Willwill greatly rect more loss that at this time are the Republican nominee for Sheriff, William Wright, and the Democratic candidate for Senator, Judge Teese. Wright lost every dollar in eash he had. The State Banking Company should not be confounded with the National State Bank. The stock was held in large amounts by the President and his family, and each Director held considerable sums as well. The Mutual Benefit Life-Insurance Company were large depositors, but not to so great an amount lately as before. The Police Mutual Aid Association had \$500 deposited which the Trensurer was to have drawn this morning. A meeting of the Finance Committee of

THE AQUEDUCT HOARD was held this afternoon to hear a statement asto the amount the board had on deposit in the Mechanics' Bank and take action for the Inture. Mayor Fiedler presided. Secretary Meaker stated that the board had, in round numbers \$65,000 belonging to the sinking fund on deposit there that had been recently paid in from temporary loans, and was await ing investment; that the balance of the gen eral account was \$50,000 in round numbers. and the special tax account about \$6,000 making in all \$127,000. The payment of in terest falling due Nov. 1 had been provided for, and the board expect to meet all claims for interest and payments due at the National State Bank. Oscar L. Baldwin. the defaulting Cashler, is a son of Caleb Baldwin, and entered the Mechanics' Bank as a boy, occupying a minor position. II rose gradually until about 1852, when he be came Assistant Cashier to Matthias Day At about the beginning of the War he's ceeded Day as Cashler, and has occupied that position ever since. He was prominent in public and social life, and was a Directo in the Mutual Benefit Life-Insuran pany. This company once offered him a prominent position, but he refused it. His Personally live was \$7,000 per annum.
Personally live was popular, and his relatives
and friends include the most prominent people in Newark. For several years Baldwin
hear hear warsend his

and friends include the most prominent people in Newark. For several years Baldwin has been engaged in SPECULATION IN WALL STREET, and it is believed the misfortunes of the bank are due to this fact. That there have been other causes for the failure is known, in addition to speculation, but the bulk of the money has undoubtedly been sunk in the New York stock-market. A number of dividends payable at the bank are said to have been declared by various companies, and the money was deposited to meet them. They are, of course, non-payable. The last semi-annual dividend of the bank was 7 per cent. The stockholders of the bank are liable for the full amount of the holdings—that is to say, each stockholder for \$100 must pay \$100, besides losing the value of his stock. The Government's Bank Examiner arrived at the bank this morning any with the selection of the same the companies. iner arrived at the bank this morn-ing, and with the aid of the clerks began his examination. Various rumors have been set alloat concerning other banks but have been disproved without exception So far as known, no other institution is affected to any extent. The effect upon the business of the community has not yet been shown, but will undoubtedly be developed tomorrow. The Mechanics' Bank was chartered in 1831, and was organized as a National bank in 1865.

chartered in 1831, and was organized as a National bank in 1835.

THE ACTUAL LOSS,
ITHE STATE AND A COMMENT OF THE STATE AND A COMPARATIVELY SMALL PROPERTY OF THE BANK BUILDING THE GRAPH OF THE BANK BUILDING THE BANK WERE WOODE. THE BANK WOODE. THE B before-named among the largest stockhold-ers are F. T. Frelinghuyser and T. T. Kinney.

# THE AUTHORITIES

THE AUTHORITIES

AT THE THEASURY.

Bretal Dispate to The Ordicage Tribune.

WASHINGTON, D. C., Oct. 31.—The failure of the Newark bank, and the fact that its depositors and stockholders are entirely without security, will undoubtedly be made use of in Congress by the opponents of the National banking system as an argument to show the limited passes. The law furnishes no adequate security for stockholders, and the examination by the Bank Examiners do not seem to have protected the depositors. It is difficult to see, however, how this can be avoided, as it is stated at the Treasury the books of the bank when last examined had no record of this \$2,000,000 held by this New York bank. Of course if the cashier had not kept this from the banks he would have been detected. Some of the most expert officials of the Controllers office have been sont to investigate this atonishing embezzlement. The Controller of the Currency, who is preparing his annual report, had been in hopes to have stated that another year had passed without any bank failure. BURROWS AND THE SPEAKERSHIP.

BURROWS AND THE SPEAKERSHIP.

directal Dispatch to The Unices Tytions.

KALLMAZON, Mich., Oct. 81.—The Hon. J.

C. Burrows left here Saturday for Washington, stopping at Cleveland and Paineaville,

O., on the way, He species to reach Washington Wednesday, His friends here say
that he will enter at once upon an active
canvass for the Suenkership of the next
House, He had the promise of a large support during the last session, and Hiscock's
chances appearing to diminish with the
thought, holy him in the West largety. His
capacity of the session and the property of the
press. He is believed to me in the donor by the
his chances are excellent, and that no will
certainly be one of the leading candidates. STEAMSHIP NEWS.
NEW Your, Oct. 81.—Arrived, the Arabic and England, from Liverpool.

Rossi, the Italian Tragedian, Makes His First Appearance in "Othello.

NEW YORK.

Burning of a Large Brewery and au Entire Block of Buildings on Staten Island.

The Handsome Sum of \$121,494 Contributed to the Michigan Sufferers.

ROSSI. THE EMINENT ITALIAN TRAGEDIAN MAKES HIS FIRST APPEARANCE DEFORE AN AMERICAN AUDIENCE. rial Dispatch to The Chicago Tribune. NEW YORK, Oct. 31 .- Ernesto Rossi, the

Italian trancdian, made his first appear-ance in New York this evening at Booth's Theatre. The building crowded, and the new candidate favor in this country has every reason to be leve that his efforts mem with the fullest success, for he met with one of the most flattering receptions ever accorded an actor here. The play was "Othello," in which Signor Rossi had ample scope for his powers, and wherein he displayed his consumpowers, and wherein he displayed lifs consummate intensity of passion and delicacy of tender sentiment to such a degree as to bring forth most pronounced evidences of appreciation on the part of his auditors. Rossi combines intellectual fire with dramatic hitensity. His presence is commanding and his play of features a study. Introducing here and there hits of play new to the American public, his interpretation of the character becomes hivested with Fresh force, and in the opinion of many transcends that of Salvini. During the week Rossi will play Romco and Hamict.

### DESTRUCTIVE FIRE.

A LAIGE BREWERY AND A WHOLE BLOCK OF BUILDINGS DESTROYED. NEW YORK, Oct. 31.—About 11 o'clock this morning fire broke out in the engine-house of Mayer & Bachman's brewery, at Clitton, State Lebest, The destroyers with the Staten Island. The tlames spread with re-narkable rapidity, and the entire block of uildings was soon enveloped, the brewery being situated in the midst of a number of frame shantles. The latter were abandoned by the occupants, who fied in terror. When the brewery buildings had been burning half an hour the firemen abandoned them and devoted their efforts to saving the adjoining dwellings. At 12 o'clock there was danger of a boiler explosion, and the police, in anticipation of such calamity, cleared the streets and guarded the approaches. The loss is estimated at \$500,000. Hundreds of persons are thrown out of employment.

The brewery building occupied nearly half an acre. Two ice houses and storage vanits, recently erected at a cost of \$80,000, wgre ministred. The loss on stock, including \$,000 tons of ice, 700 bushels of malt, and \$,000 barrels of beer, its over \$150,000, and on buildings, machinery, and fixtures \$200,000 more. Mayer intents rebuilding at once. Insurelng situated in the

ITEMS.

NEW YORK, Oct. 31.—Five hundred thousand dollars in gold was received from Europe today.

rope tonay.

ARRIESTED FOR SWINDLING.

J. W. Oliver, of Webster, Ga., has been arrested here on a charge of extensive swindling in that State.

HELIEF FOR THE MICHIGAN SUFFERENS. The Michigan relief fund now aggregates \$121,494.

#### EXCHANGES.

The Weekly Showing of the Trans-netions in Cash of the Leading Cities of the United States. Boston, Oct. 31.—From the Post: The fol-lowing table shows the total gross exchanges for twenty-three leading clearing-houses in the United States, twenty-two for the week ended Oct. 29, and one (Louisville) for the week ending Oct. 27:

etphia. levelun... low Haven. 

This exhibit shows a slight falling off from the last week. The grand total, \$1,102,025, 593, fulls somewhat behind the showing of the same clies last week, when the figures stood \$1,200,570,000. The percentage of inthe same cities hast week, when the lightes stood \$1,20,570,003. The percentage of Intercase over the corresponding week of last year is somewhat higher, however, being 143, ragaliast 10,2 the previous week. In New York the percentage of galp was higher harkably good the past week, the folder harkably good the past week, the notable feature being the distribution of dry goods, for which there appears to be an unprecedented demand. Outside of New York the percentage of gain has failen off, convared with last week. The increase this week over the corresponding week of last year is \$3.2, against 49,4 hast week and \$23,4 the previous week. In 1880 during the same week the October clearings in the cities outside of New York showed a falling-off, of 2,8 per cent, compared with the corresponding week of 1889. Little good of the corresponding week of 1880 during the same week the 1880 during the same week the Cotober clearings in the cities outside of New York showed a falling-off, of 2,8 per cent, compared with the corresponding week of 1879. Lit is guident from this that the genwhen there has been an exceptional rush of business, is still in a most healthy and "booming" state. Among the Eastern cities, nearly all of which show a fair increase, we may mention Boston with an increase of \$1.6, against \$1.4 last week; Philadelphia, \$1.9.9; Baitlinore a decrease of 1.5 against a decrease of .04 last week; Providence an increase of 15.7, against \$1.6. At most wen we may mention Boston with an increase of 31.6, against 31.4 last week; Philadelphia, 13.0; Baitimore a decrease of 1.5 against 11.4. As most man increase of .0.4 last week; Providence an increase of .0.7, against 11.4. As most man increase of .0.7, against 11.4. As most man increase of .0.7, against 11.4. As most man increase .0.5 against .0.6 against .0.7 (Cleveland, .0.1 against .0.6 against .0.6 against .0.7 (Cleveland, .0.1 against .0.7 a

HEART-DISEASE.

Especial Dispatch to The Cheege Tribuna.

CLEVELAND, O., Oot. 31.—Early this morning tha dead body of Mathew Misner was found on Superior street hill. His pocketswere inside out, and near by were his empty, pocketbook and other personal effects. Death was evidently caused by heart-disease, as no marks of violence were found on the body.

SPEEDY JUSTICE:

LITTLE ROCK, Ark., Oct. 31.—An escaped convict named Chartes Jones, a negro, attempted to rape a white hally named Mrs. Lewis, near Spadra, on the Fort Smith Railroad, last week. Her screams attracted the attention of high-bors, when the negro field. He was captered

yesterday morning in Fort Smith, and brought to Spadra tals afternoon. A mobal 180 men, armed with shotgams, were at the depot in waiting. On the arrival of the make they took the prisoner from the officer, and rafter a short informal examination, and arter as well as a short of the manual talents. I wenty minutes after his arrival at Spadra he was hung to a tree.

#### POLITICAL.

Cannon, of Utah, Declared to He as Alion.

Salt Lake, U. T., Oct. 31.—The sugbrought by Campbell to annul Cannon's patended certificate of naturalization was decided today by Chief-Justice Hunter. The Lange held that, on the statements of the complainant and the admissions of the fendant, the certificate of Cannon was void on its face; that the pretended natiralization was a multity. That the court in whee Cannon pretends to have been naturalized twenty-five years ago decides that he is the court in whee Cannon pretends to have been naturalized twenty-five years ago decides that he is the court in the court in the court in the court in which the court is the court in which cannon pretends to have been naturalized twenty-five years ago decides that he is the court in the cour twenty-five years ago decides that he is a salien, and therefore that Gov. Mun was right in refusing to centiful that he had been that he had been the control of the contr alien, and therefore that the ist was right in refusing the flow. Murn was right in refusing the certification that he had been do to Congress. It is not supposed here the totoongress. It is not supposed here the house of Representatives can fail to take notice of this action, or, indeed, to be governed by it, and thus it is regarded as virially settling the contest for the Delegain sent from Mula if Read of Campbell. To Liberal candidates and the Liberals of this like three soldiers at the striking up of mag or opening of firing in front, are plucking a new heart in consequence.

Wisconsin Democratic Legislative

Nomination.

Spited Dipatch to The Chicago Tribuna,
JANESVILLE, Wis, Oct. 31,—The Second
District Democratic Convention, held the
afternoon, nominated the Hon. John Winny
for member of Assembly. FIRE RECORD.

At Cincinnati, Loss Probably 875,000, Cincinnati, Oct. 31.—At half-past 1 to night the Ohio & Mississippi Grain Elevato, owned by A. J. Mullane & Co., caught and, being of wood altogether, was soon veloped in flames. At 2 a. n. there but little prospect that any part can be save. The building and contents are next. The building and contents are probable worth \$75,000. The building and contents must be a total loss. The building and content must be a total loss. The building and content owned by Hugh Stewarl, who succeeds Malane & Co., and is managed by Charles Meguire.

A Cigar and Some Newspapers,
The alarm from Box 325 at 10 o'clock asterday morthing was caused by the discover of a trilling blaze in the two-stoy frame house at the rear of No. 575 South Halstel street, owned by M. J. Silly and occupiedly Junes Hampshery. James Henneberry. The fire was causedy the igniting of a quantity of newspaper among which a lighted eigar had be dropped. Damago nominal.

At Galveston, Tex.

Galveston, Tex., Oct. 31.—A fire broke out in the cotton-room of John D. Rozers & Co. today, from a match on the floor. The flames spread rapidly, enveloping in a short space of time the entire building. Insurance on the stock of Moore. Stratton & Co., wholesale grocers, \$105,000; on building St., 000. Moore, Stratton & Co., 's loss will reach Jo per cent. The building was owned by D. D. Malioney.

At Lyro, Ark., Loss 80,000, Partially LITTLE ROCK, Ark., Oct. 31.—A Monticelle

pecial says the storehouse of 1). C. Burford & Co. and M. A. Jones & Co., at Lyro, burned Saturday night. Burford's loss, \$5,000, in word; Jones' loss, \$4,000, parily insured. Negroes were the incendiaries, one of when is now in custody.

In Charleston, W. Va.—Loss \$6,000. CHARLESTON, W. Va., Oct. 31.—The stem laundry and H. Strauss & Co.'s beer-bottling establishment, fee-house, etc., were deutors by fire last night, which originated in is aundry. Loss, \$6,000; insurance, \$500.

CHARLESTON, W. Va., Oct. 31.—Straus & Co.'s beer-bottling establishment, icclouse etc., were destroyed by fire last night. Loss \$0,000; but little insurance.

At Urbana, O.; Loss, \$5,000 to \$10,000. Urbana, O., Oct. 31.—Caldwell & O'Nealfs

planing-mill was damaged badly by fix Loss estimated at \$5,000 to \$10,000,

# THE HENNEPIN CANAL PROJECT. Special Dispatch to The Chicago Tribune. DAVENPOUT, In., Oct. 31.—A meeting of tizens was held tonight in the interest of the control of the

the Hennepin Canal project. The delegated from this city who attended the St. Louis River Convention reported on the work the performed there. . A resolution was adopte in favor of holding a national convention consider the plan of the cannal convenions as consider the plan of the cannal at Chicago as some other Eastern city at an early alterny through Buffalo at a place for the convenion. A commission composed of members of the Board of Trais and elizana was organized to take charge of the work and press it (approvist).

The City of Kome moved out of her dock tween 10 and 10 o'clock yesterday morning numerous company crowded her extended the what was packed with all decks, and the what was packed with all living lintch, of Wall street, who should stands military lintch, of Wall street, who should stands military, almost up to the moment of sing, at the gate of the what surrounded by animated group of camel's-hurt shawls other rich and striking there. His cyce bed so brightly between his white wanicat and other his between the white was contained to the work of the work saw Mr. Hatch off, and ho stood on the end of the wharf to the last, waving his handkershel and obsering with uncontrollable enhancement until the huge and graceful vessel, having been shoved into the proper direction by a pair of snucy tuge, had gilded far down the harbor.

## A Big Three-Year-Old Boy.

EVANSYLLLY into Confinent Enquire.

EVANSYLLLY into Confinent Enquire.

EVANSYLLLY into Confinent Enquire.

It has city to the confinent into confinent into confinent into confinent into confinent into confinent into the confinent into the confinent into a confinent into the con

Iceberge Coming South

Icobergs Coming Nouth,
Br. Joins, N. F., Oct. 29.—Two vest island
lee are visible in the offing, driving so
below the second of the second of