

# AMERICAN BANK IS DECLARED INSOLVENT; BRUNING IS RECEIVER

"Closed by order of the territorial banking department for the purpose of liquidation. (Signed) Territorial Banking Department of the Territory, of Alaska, by W. G. Smith, secretary of the territorial banking board."

The foregoing few words on a slip of paper posted on the door of The American Bank of Alaska by Territorial Bank Examiner W. G. Smith gave notice to the public of the passing of the well known business institution. To bad loans made during the early days of the bank by C. J. Hurley, then president, is attributed its failure. The condition of the bank was known to a few local business men, who, during the past week or ten days, attempted to reorganize the institution in order to keep it running by subscribing to stock, only to find that, should they do so, they would be liable under the law to twice the amount of stock held by them. That scheme therefor fell through, and on Sunday Adolph Bruning, cashier of the defunct institution, asked that the territorial bank examiner close its doors, which was done yesterday.

Mr. Bruning has been made temporary receiver of the bank by a court order signed by Judge Charles E. Bunnell, and the institution is now in his charge. It is probable, however, that nothing will be done toward making a dividend of the cash on hand until the court arrives here from the lower river and makes an order for a dividend. John A. Clark, attorney for the bank, stated last night that in many instances the depositors who will lose by the bank's insolvency owe money to the institution, consequently their debts will offset their deposits. It is therefore thought that the first dividend will be somewhere in the neighborhood of twenty per cent, but that statement is not authoritatively made. Another unauthoritative report is to the effect that the bank will be able to pay about sixty-five per cent of its indebtedness after it realizes on certain real estate which it holds, and that it may eventually be able to pay between eighty-five and ninety per cent. A meeting of the depositors of the defunct institution is to be called in the near future, at which time a permanent receiver will be decided upon.

It is understood that a large part of the real estate of questionable value to which the bank holds title lies in mining ground on Moore creek in the Kuskokwim country and in the Yukina valley, Washington. On other real estate held, it is thought, the bank should be able to realize. The real estate is stated to be of the aggregate value of \$45,938.65 in the last report of the financial condition of the bank. The loans, some of which are stated to be good and others questionable, are placed at \$80,181.51 in the report.

The bank closes its doors with a good record for the men who have lately been in charge, namely, Adolph Bruning, Paul Hopkins and P. A. Rettig. All have advanced their personal funds in order to keep the institution open until such time as the bad loans could be recovered, and none of them withdrew their money, even though they knew that the bank was in an insolvent condition. All three are therefore practically penniless, particularly Mr. Bruning, who has been cashier of the institution from the day it was founded.

The complaint in the case instituted by the territorial examiner, giving the legal status of the closing, is as follows:

### COMPLAINT.

In the District Court for the Territory of Alaska, 4th Division.

Territory of Alaska, upon relation of the Territorial Banking Department of Alaska, plaintiff, vs. The American Bank of Alaska, a corporation, defendant.

Comes now the plaintiff in the above entitled action and represents to this Court and petitions as follows: to-wit:

1. That the Territorial Banking Department of the Territory of Alaska is a department created by the provisions of chapter 48 of the Session Laws of the Territory of Alaska for the year 1913, and its duties are prescribed therein, and in the various amendments to said act.

1-2. That the American Bank of Alaska is a corporation organized under the laws of the State of Washington, conducting a general banking business in the Territory of Alaska, and as such is under the jurisdiction and control of the Banking Department of the Territory of Alaska.

2. That, under and by virtue of the duties imposed upon said Banking Department, the said Banking Department did heretofore cause The American Bank of Alaska to be examined, and did ascertain from said examination that the capital of said bank had been impaired, and thereafter, in the manner prescribed by law, served notice upon said American Bank of Alaska to make good the impairment of said capital within a certain specified time.

3. That, thereafter and on the 26th day of August, 1917, the American Bank of Alaska, acting by and through its cashier, notified the Banking Board of the Territory of Alaska that said bank was unable to comply with the requirements of

## Bryan Endorses Wilson's War Plan

(Associated Press) CHICAGO, Aug. 2.—Addressing a large crowd here tonight, William Jennings Bryan declared that he stands firmly by the President in his war program. While reiterating his belief in peace and the settling of international disputes by arbitration and amity instead of by combat, he declared that every loyal American will do his utmost to bring the war to a successful conclusion.

The former secretary of state declared that in his traveling about the country on the Chattanooga circuit he found the desire of the rank and file of the nation to support the government in its war program to be almost universal.

## BOARD ASKS THAT NATION CURB I. W. W.'S

(Associated Press) WASHINGTON, D. C., Aug. 27.—The national council of defense today made a recommendation to government officials that a special federal commission be named to investigate such disorders as those resulting from Industrial Workers of the World activities in the west.

The council of defense declares that the suppression of industrial disorders is of prime importance to the safety and defense of the nation. They declare that a federal board should be appointed to investigate the true causes of disorders in the past and to try to prevent their recurrence.

## GREECE MAY NOW GET RID OF MONARCHY

(Associated Press) ATHENS, Aug. 27.—The question of establishing a Greek republic was discussed in the chamber of deputies here today, and the subject was given serious consideration. Since the abdication of King Constantine, a considerable element in the country has advocated the abolition of monarchy and the founding of a republic.

Premier Venizelos is on record as opposing the republican idea while the war is going on. He says the hanging of the form of government might weaken the military strength of Greece and make her a prey to the influence of the central powers, as was the case in Russia.

The premier said he doesn't believe the time has arrived to change the form of government, and that monarchy ought to be given another trial. He said the republican idea is spreading among his former opponents, which leads to a belief that the movement at this time may be an attempt to change the policy of Greece.

## ALASKA SLIDES ARE EXHIBITED

At Thorne's last night a number of slides showing scenes taken in Alaska were shown. They were kindly loaned for the occasion by Thomas Riggs, Jr. They show scenes of railroad building on the coast and a number of other interesting features.

## NENANA BOYS DINE BALL PLAYERS

Captain Neil Van Houten, of the Nenana baseball team, was the host at a dinner party to the other members of the team last night. "Micky" Fleischman also banqueted the members of the Fairbanks team who played here yesterday. It is understood that "Micky" was the only "sport" in the Fairbanks crowd and that he paid for the dinner from his winnings on the ball game, which aggregated in the neighborhood of \$200.

Mrs. E. M. Keys, who has been visiting friends in town for the past ten days, returned to her home at Fox yesterday afternoon.

## INJURY OF JEFFERSON IS NOT SERIOUS

(Associated Press) SEATTLE, Wash., Aug. 27.—The steamship Alameda was sent to Cone Island north of Millbank sound this morning to survey the damage to the steamship Jefferson which collided with the Canadian Pacific railway steamer Princess May. The Jefferson's injury, at latest report, is not believed to be serious. The steamer Northwestern, northbound for Alaska, will probably take the Jefferson's passengers.

The collision occurred in a heavy fog. The Jefferson was bound for Alaska and the Princess May was south bound for Vancouver. There were 18 passengers on board the Jefferson, among them being Mrs. R. G. Southworth and daughter Margaret, of Nenana; W. R. Taylor, of Fairbanks; Mrs. E. D. Howe, of Hot Springs; Lide Breney and Edith La Belle, of Ruby.

## ALL READY TO MOBILIZE DRAFT UNITS

(Associated Press) WASHINGTON, D. C., Aug. 27.—That everything will be ready when the new national army is mobilized on the first of September was the declaration of Secretary of War Newton Baker this evening in an interview given to Washington newspapermen. The war secretary declares that, in spite of the vast number of men who will be supplied with uniforms, no serious shortage of clothing or equipment will be disclosed.

"So complete is our supply in reserve that any shortage can be overcome quickly," Mr. Baker declared. "Furthermore, all of the cantonments in the country, in which the men of the new national army will live while undergoing preliminary training before going to Europe, will be completed by the time the men arrive early in September."

This is the first official statement of the progress of the work of preparing equipment and barracks and other supplies for the new federal army.

On account of the magnitude of the task and labor troubles with which the government has been obliged to contend, some apprehension was felt that the preliminary work might not be completed in time for the new army.

## URGES HEAVY TAXATION ON WAR INCOMES

(Associated Press) WASHINGTON, D. C., Aug. 27.—A drastic tax on war profits is proposed by Senator Hiram Johnson of California, who today submitted an amendment to the war tax bill providing for a tax of eighty per cent on excess war profits. The amendment is so drastic that it is believed it will delay a vote on the war tax bill for several days.

While applauded by some of the senators, who declare that it is right that those engaged in the manufacture of war munitions should bear the greatest tax burdens, others declare that his amendment will have the effect of making the section on incomes and war profits unavailing.

## CARIBOU ON COFFEE DOME

Reports received in town from Fairbanks creek are to the effect that caribou are now ranging in that vicinity. A number of them have recently been seen on Coffee Dome, one of the highest hills on the left limit of the creek.

## German Would Give Back Alsace-Lorraine

(Associated Press) COPENHAGEN, Aug. 27.—A report received here today from authentic sources in Germany declares that Daniel Blumenthal, a former Alsatian and a member of the German reichstag, recently made a speech in the reichstag in which he made a statement that Alsace-Lorraine, wrested from France in 1870, desires to become a part of the French republic again.

He declared that in view of this desire on the part of the residents of the two disputed provinces, he would vote to reject the reported plan of Chancellor Michaelis to make Alsace-Lorraine a federal duchy.

## HOMESTEADERS FLEEING FROM FOREST FIRES

(Associated Press) MISSOULA, Mont., Aug. 27.—Driven from their homes by the forward sweep of forest fires which are raging unabated in western Montana, families of homesteaders, bringing their household goods and driving their live stock before them, are fleeing to the town of Corlett. Here the settlers are concentrated in camps. Many of them did not have time to save their goods, and many of them lack food and cooking utensils.

Many stories of terror and suffering are brought by the homesteaders and their families who fled to Corlett to escape from the path of the fire demon. Residents of this part of the state are taking steps to see that the refugees do not want for food or clothing.

## FRENCH LINES IN FINE SHAPE, EXPERTS AVER

(Associated Press) WASHINGTON, D. C., Aug. 27.—An official report received from officers of the American engineer corps now on the western front declares that the vast system of French railways used in transporting men, munition and food to the fighting lines, are in splendid shape. This in spite of the fact that the railway lines have received hard usage during the past three years of war.

## SUB CAPTAIN DINES YANKEE WHO LOST SHIP

(Associated Press) AN ATLANTIC PORT, Aug. 27.—Bringing a story of how he was entertained lavishly on board the submarine which sent his vessel to the bottom, Captain Cyrus Crooks, master of the American bark Christine, and members of the crew, arrived here today on a vessel that picked them up in open life boats.

The Christine, an American sailing ship, was sunk off the Azores on August 7.

As she was in waters unfrequented by submarines, the captain was surprised when a shot passed his bows a few minutes later splintered the superstructure of a U-boat appearing in the distance. The diver approached and a party of German sailors came aboard and compelled Captain Crooks to return with them to the submarine. With many misgivings, the American master complied, but instead of ruthlessness, the Yankee skipper was dined and entertained in royal style on board the U-boat, and while this was going on the German sailors placed bombs on board the Christine and sank her.

After entertaining the American officer, the U-boat caught up with the life boats of the destroyed ship and placed the captain safely on board. Patrol boats later picked up the captain and his crew, transferring them to a regular steamer bound

for this port.

The submarine captain assured him that he hated to sink American ships.

The Christine was an American ship and was formerly under Austrian register. She was seized by the United States government at the outbreak of the war. She recently returned to an American port after a round trip to Archangel, Russia, in 58 days, which is almost a record. She was bound for Europe when sunk by the submarine.

STANDING OF CLUBS. AMERICAN LEAGUE. Chicago 617, Boston 602, Cleveland 552, Detroit 531, New York 473, Washington 431, Philadelphia 393, St. Louis 375.

NATIONAL LEAGUE. New York 649, Philadelphia 561, St. Louis 530, Chicago 526, Brooklyn 486, Cincinnati 483, Boston 417, Pittsburgh 327.

Dr. J. H. Condit, superintendent of Presbyterian missions in Alaska, was an outbound passenger on the Tanana last night for Ruby.

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