## PERKINS TELLS OF

WHEREIN HE ACTED AS BANKER AND N. Y. LIFE OFFICER.

Carried Out Big Transactions-Admits He Probably Dealt With Himself Turned His Profits Back, Including a Modest 878 on 84,500,000 Sale Hughes Demands Morgan Books and Expects to Get Them-Some Profits Gone-Hyde and Alexander Pensions.

The Equitable and the New York Life Insurance Company shared the honors yesterday before the Armstrong insurance committee.

George W. Perkins, testifying for the New York Life, explained in further detail transactions questioned by the committee which that company had entered into immediately preceding its annual report to the State Department of Insurance Mr. Perkins also testified further in regard to his dual relations with the firm of J. P. Morgan & Co. and the New York Life Insurance Company, explaining how he had represented both the buyer and the seller in a transaction involving \$4,000,000.

Mr. Perkins submitted to the committee a statement showing that the report to which counsel for the committee had called his attention several days ago was correctthat the New York Life in 1901 charged against the profits which it had received for the year on sale of securities \$1,919,734.29, representing advances to agents, and \$843,-988 losses on real estate. The New York Life's statement to the State Insurance Department gave the "net profit" on sales of securities for that year as \$3,075,375.99, the actual profit on the sales being \$5,839,-087.15, which amount, it was shown, was reported to the State Insurance Department of Massachusetts. Mr. Perkins contended that there was nothing improper in the item in the report to the New York State department, as it was set down clearly as the "net profit."

The evidence adduced from H. Rogers Winthrop and others of the Equitable witnesses showed that George H. Squire, who was trustee of the account supposed to have been carried as sort of an annex to the notorious \$685,000 loan account in the Mercantile Trust Company, borrowed as trustee \$250,000 from the Equitable Trust Company for use in syndicate operations, the only security put up being the receipts for the syndicate participation and small sums which were received as dividends on the syndicate participation.

This George H. Squire trustee account was pretty well cleared up yesterday, so far as the actual book records of it are concerned, but not much light was thrown upon the uses to which the moneys of the account were put. Letters were presented in evidence in which Mr. Squire said that he had absolutely no personal interest in the account and that he would not be personally responsible for it.

The letters were written by Mr. Squire It the time of the closing of the account in 1904. At that time it was transferred from Source's name to the name of Louis M. Bailey, a clerk in the comptroller's office in the Equitable society. The account still stands in Bailey's name and so, also, does the underwriting participation taken out by Squire on behalf of the account. This the participation on account of which the Equitable Trust Company loaned Squire

The trust company has notified the Equitable society that it intends to hold the society responsible for the loans. Mr. Winthrop did not say definitely yesterday what the new management would do in regard to the loans, but he thought it was likely that the society would take up the participation.

### \$68,000 PROFITS CLEAN GONE.

It was stated definitely by Mr. Winthrop, subject, however, to correction at any time, that there is no record on the Equitable's books of syndicate profits having been received in two cases which were mentioned at the hearing before the committee on Wednesday. Mr. Winthrop at that time said that the society would look the matter up, and his report yesterday was the result of the investigation by the Equitable

The missing profits amount to over \$68,000. Of this amount \$23,919 should have been received by the society as its profit in the St. Louis and San Francisco bond syndicate of 1895. This check was sent to the society by the Mercantile Trust Company, through which the Equitable had received its participation. The remainder of the missing \$68,000 was in two checks sent by the Mercantile Trust Company to the Equitable in the St. Louis and Iron Mountain syndicate of 1897. One check was for \$21,908 and the other for \$22.695. Mr. Winthrop assured the committee that the new management would investigate this matter most rigidly and would at once have the checks looked up in the Mercantile Trust Company to ascertain who indorsed them.

### THE EQUITABLE PENSIONS.

Interesting facts in regard to the agreement which the Equitable entered into to pay Mrs. Henry B. Hyde, the wife of the founder of the society, \$25,000 a year as a pension after Mr. Hyde's death, and also in regard to the pension of \$18,000 a year which Mrs. James W. Alexander was to get in the event of her husband's death, were brought to light yesterday. It was shown that these agreements were entered into as far back at 1888, and that at the same time that arrangements were made for the pensions, Henry B. Hyde had his salary increased from \$50,000 to \$75,000 a year.

The increase in the president's salary and the provision for an annuity to his widow were made according to special minutes of the finance committee in lieu of commissions which Mr. Hyde was entitled to receive on premiums and the surplus.

What the nature of the society's obligation was to pay Mr. Hyde a commission on premiums and the surplus was not disclosed vesterday, but it is known that this matter will receive the most searching attention of the committee. James H. Hyde, in a statement issued by him when the Equitable controversy was at its height denied emphatically that his father had ever received any money from the society for this sort of thing. It would appear also from the minutes of the finance committee meeting that James W. Alexander. too, was in a position to collect commissions on the society's surplus. The minutes say that the agreement between the society and the elder Hyde for commissions was signed "many years ago," the

minutes themselves dating back to 1888. The full minutes containing the arrangements with Mr. Hyde and Mr. Alexander are not recorded in the book containing the regular minutes of the finance committee's meetings. They are designated "special minutes." The only record found on the regular minutes is this one for the

meeting of Feb. 2, 1888: "The compensation of certain officers of the society was considered, and a special minute in relation thereto was adopted and ordered to be filed."

DEALS was introduced by W. H. McIntyre. It reads in part:

It was shown to the committee that the president had surrendered to the company an agreement for commissions on premiums, made many years since, which if enforced would give the president much larger compensation than he has ever received or asked; that he has performed extraordinary services to the company not usually required of its officers; that he had in many cases assumed very large pecuniary obligations for the company for which no compensation had been

After full discussion it was resolved as

First-That the president shall receive for an annual salary the sum of \$50,000 per annum. Second—That he shall receive for extraordinary services heretofore rendered to the mains president, and in lieu of any and all commissions, an additional sum annually of \$25,000, and that said two sums shall be paid and take effect from January 1, 1886. [From this it will be seen that the resolution was retroactive.

Third-That in consideration of said services above mentioned and future services to be rendered as president during the pleasure of the society this society will, in addition to the foregoing, pay to his wife. Annie F. Hyde, an annuity of \$25,000 during her life; suc annuity to commence from the death of said

Henry B. Hyde. Fourth-That in addition to the salary which is at present paid to the vice-president [James W. Alexander] and in consideration of unusual and extraordinary services performed by him and in consideration of future services to be rendered as vice-president during the pleasure of the society, this continuous the pleasure of the society.

A second special minute passed by the finance committee on the same date con-tains practically the same provisions as are set forth in the above minute, except that it is stated that the report had been made to the finance committee that the "president and vice-president have sev-erally surrendered to the society an agreement for commissions on the surplus made many years since, which if enforced would give said officers a much larger compen-

sation."

The annuities mentioned in these minutes are the ones which were referred by the new management of the Equitable to counsel for an opinion as to whether they could be revoked. The opinion was that they could be, and in accordance with that decision action was taken to that end by the society's board of directors.

MR. PERKINS REPORTS ON BOND SALE. Vice-President Perkins of the New York ife was called to the stand toward the close of the morning session. Counsel for the committee took up with him first the sale of \$800,000 Interpational Navigation syndicate bonds to J. P. Morgan & Co. by the New York Life on December 31, 1903, and their re-purchase January 2, 1904, at the same price for which they had been sold.

Mr. Perkins had promised when he was before the committee last week that he would ascertain whether there was any authorization by the finance committee of the New York Life for this transaction. reported that there was no resolution ering, confirming or authorizing that sale," lut that it was generally understood by the committee that when the New York Life acquired the \$80,000 of bonds in the first instance it was to sell them, and the matter, Mr. Perkins said, had been placed in his hands

In his hands.

Q. Was there any authorization or approval of your action in buying back the \$800,000 nterest on January 2, 1904? A. No sir, there was no authorization for that.

Q. And no approval of that? A. No approval of that, because that was made, as I explained before, in a general plan to realize the largest sum I could for that participation. DEAL WITH MOBGAN & CO.

DEAL WITH MOBGAN & CO.

Mr. Hughes, counsel for the investigating committee, directed the attention of the witness next to the New York Life's purchase on December 31, 1903; from J. P. Morgan & Co. of Chicago, Burlington and Quincy bonds to the amount of \$500,000; Northern Pacific prior lien fours, to the amount of \$1,500,000 and Chicago, Cleveland, Chichnati and St. Louis bonds to the extent of \$2,000,000. On February 16 the Chicago, Burlington and Quincy bonds and the Northern Pacific bonds were returned by the New York Life to Morgan & Co. at the same price at which they had been bought. The "Three C's" securities were held until April, when they were rewere held until April, when they were re-turned. Mr. Hughes asked Mr. Perkins whether he could explain this transaction. Mr. Perkins said that he was authorized of the New York Life to buy \$5,000,000 on September of the New York Life to buy \$5,000,000 of the St. Louis Terminal 4 per cent. bonds at 102 less 1 per cent. Mr. Perkins said he bargained for the bonds and finanlly bought \$4,000,000 of them at par. The bonds and specific the bonds are the bonds and service the bonds are the bonds and service the bonds are the understanding was, he said, that the bonds were to be delivered to the New York Life

were to be delivered to the New York Life on or before the end of the year, but unexpected delays came in connection with legal matters and the delivery was not made until after the close of the year.

The New York Life, however, Mr. Perkins said, insisted, in view of the agreement which had been made to have the bonds delivered before the control of the control o delivered before the end of the year, upon its money being invested on a 4 per per cent. basis, and for this purpose took from J. P. Morgan & Co., with whom the agreement for delivery had been made, the securities mentioned above in lieu of

the St. Louis Terminal bonds. Counsel for the committee wanted to know whether the New York Life agree-ment with Morgan & Co. for the delivery of the bonds before the end of 1902 was

verbal or in writing.
"Well," replied Mr. Perkins, "I think it may have been written or it may have been verbal. Sometimes contracts like hat are written and sometimes they are He had no definite recollection on that,

he said. He could not tell, either, with what person he had made the agreement on behalf of the New York Life.

Of the New York Line.

Q. Well, did you make this agreement with any other person than yourself? A. I don't recall whether I talked it over with any one else in the Morgan firm or not; probably I did with the other partners, but I may have made the transaction myself.

### PROBABLY DEALT WITH HIMSELF.

Mr. Hughes wanted to know whether any other person on behalf of the New York Life Insurance Company besides Mr. Perkins engaged in this transaction. Mr. Perkins replied that if the finance committee gave him authority to buy those bonds at 102 less 1 per cent. and be had bought them at par, he supposed he had at least carried out their instructions, having saved over \$40.000. saved over \$40,000.
"Will you kindly answer the question?"

errupted Mr. Hughes.
Did I not answer it?" inquired Mr. sir," replied Mr. Hughes; rather

sharply.
The stenographer read the question again and Mr. Perkins stated that the finance committee acted on the whole transaction in giving him authority to buy the bonds.
Mr. Hughes wanted to know further whether the witness, when he had bargained for the bonds, had bargained with any other person than himself.
"I cannot recollect, but I think I did "

other person than himself.

"I cannot recollect, but I think I did," replied Mr. Perkins. Then he added: "Probably I did it myself. I would like to call your attention, Mr. Hughes, to the fact that in these transactions I have been under an agreement with the policyholders of the New York Life Insurance Company to represent them and do my best for them at salary of \$25,000 a year, and I have done

Mr. Hughes wanted to know what memorandum the New York Life Insurance Com-pany had to show that J. P. Morgan & Co. had agreed to make the delivery of the St. Louis Terminal bonds before the end of the Mr. Perkins said that he didn't know that there was any memorandum or agree-ment in writing. In banking houses and financial institutions, he said understandings of that sort were just as binding by

ings of that sort were just as binding by word as by written agreement.

Q. This would hardly require a word, because you were dealing with yourself? A. I beg your pardon: I was representing the New York Life Insurance Company.

Q. I am talking of the actual physical appearances? A. That would have been stated, as all transactions are, to Mr. Randolph, who keeps the records of such transactions.

mr. Hughes continued to press his point in regard to a written agreement and Mr. Perkins told him that he could question the treasurer of the New York Life in re-

gard to this matter if he would not take his (Mr. Perkins's) word for it.

"Oh, no," said Mr. Hughes, "we are not questioning your word, we are trying to get at the course of business. We are trying to get at just wha, happens when you decide, acting for the policyholders on the one hand and acting for J. P. Morgan'st Co. on the other, hand that it is a

gan & Co. on the other hand, that it is a good thing to buy these bonds, just what record is made on the New York Life's

Mr. Perkins declared again that he had spoken to the treasurer of the New York Life in regard to the agreement, and he could not tell whether that official had made

a record of it or not.

Mr. Perkins asked why it was that the New York Life was anxious to get from J. P. Morgan & Co. other securities at the close of the year, when Morgan & Co. were unable to deliver the \$4,000,000 in St. Louis Terminal bonds.

unable to deliver the \$4,000,000 in St. Louis Terminal bonds.

"They were perfectly good, were they not?" inquired Mr. Hughes, referring to the firm of Morgan & Co.

Mr. Perkins laughed. Then he said that the New York Life wanted 4 per cent. securities because it had set aside the \$4,000,000 as money invested. While it was true, he said, that the New York Life had the money and it was earning its 4 per cent, the company wanted security that would represpent the interest rate.

DEMAND FOR MOBGAN BOOKS Mr. Hughes asked then whether if J. P. Morgan & Co. were to deliver bonds to the New York Life on a certain date there would not be a record of such an agreement in Morgan & Co.'s books. The witness said that there would be if the bonds were

said that there would be if the bonds were to be delivered at a certain time. Mr. Hughes said, referring to the supposed entry in the Morgan books in regard to the St. Louis Terminal bond sale to the New York Life:

"That of course you can produce?"

"I can bring you the entry of that item," was Mr. Perkins's reply.

"I should like," rejoined Mr. Hughes, to have the book produced."

"No, sir," interrupted Mr. Perkins, "not the book, but I will bring you the entry item from the book."

"I want the book." said Mr. Hughes.
"I don't know about that," answered Mr. Perkins.

Perkins.

"Well, we want the book," was Mr.
Hughes's final remark, and the witness said

that he would see.

Counsel for the committee refused to comment on this incident yesterday, but it is understood that the committee is certain that the book will be produced in accordance

that the book will be produced in accordance with its desire.

Mr. Hughes wanted to know why if the bonds mentioned above were taken in lieu of the St. Louis Terminal securities on December 31,1902, they were not all delivered back to J. P. Morgan & Co. in February, 1902, when the delivery of the Terminal bonds was made. At that time only the Chicago, Burlington and Quincy and the Northern Pacific securities were returned. The "Three C's" securities were held by the New York Life until April 29. Mr. Perkins said that the "Three C's" bonds were held because the society was considering the advisability of purchasing them.

Q. Do you recall any particular individual

advisability of purchasing them.

Q. Do you recall any particular individual with whom you debated whether the 'three C's' and St. Louis securities should be returned? A. Mr. Hughes, I suppose we have had probably in the last three or four years three or four thousand, maybe eight or ten thousand, transactions exactly like that.

Q. Then your answer is that you do not? A. I don't pretend to charge my memory with each one of them in detail.

Q. Then your answer is that you don't recall? A, No, my answer is just as I make it.

Q. Then, as I construe it, I am right? A. That is for you to say.

Mr. Perkins testified that he had not

Mr. Perkins testified that he had Mr. Perkins testified that he had not found any minute on the New York Life's books regarding the purchase of the securities on December 31, 1902. A matter of that sort, he said, would hardly be embodied in a minute. It would rather be a matter of discussion among the members of the finance committee.

THE DEAL IN NEW OBLEANS BONDS. Mr. Hughes then took up with the witness the sale by the New York Life on December 31, 1904, of \$1,250,000 of the New Orlean Railway bonds to W. S. Fanshawe for S1. 1904, of \$1,250,000 of the New Orleans Railway bonds to W. S. Fanshawe for \$337,500, and the loaning to Fanshawe on January 5, 1905, of the purchase price of the bonds with the bonds as collateral. Mr. Hughes asked whether on January 31, 1904. Fanshawe actually paid to the New York Life \$937,500. Mr. Perkins replied that the New York Security and Trust Company paid the New York Life on that date \$750,000 on account of the bonds which the New York Life had contracted to sell to Fanshawe.

The remaining \$187,500 was paid, the vives said, by Nylic, the New York Life's benchical organization of agents, which took \$250,000 par value of the bonds. Nylic

took \$250,000 par value of the bonds. Nylic paid the New York Life on this account \$116,800 in cash and the balance, \$70,700, in Chicago, Burlington and Quincy joint in Chicago, Burlington and Quincy joint 4 per cent. bonds. "Now." said counsel for the committee,

"these \$1,250,000 of bonds were sold to Mr. Panshawe, as I understand it?" "Yes, sir," said Mr. Perkins.

Fanshawe, as I understand it? Yes, sir, said Mr. Perkins.

Q. How did it happen in the first place that the New York Security and Trust Company paid \$750,000 of the purchase price? A. Well, that was money advanced as a loan in taking up the bonds.

Q. Do I understand the New York Security and Trust Company made a loan to W. S. Fanshawe of \$750,000 with these bonds as securities?

A. They paid to the New York Life \$750,000 with these bonds as securities. What arrangement they had, if any, with him I don't know, but that was the transaction as far as we were concerned, we having contracted so sell him the bonds.

Q. You made an arrangement with the New York Security and Trust Company by which that loan of \$750,000 was placed to the New York Life against the purchase price? A. Yes, that was deposited in our account with the trust company.

with the trust company. NYLIC'S PART IN IT.

Counsel for the committee wanted to know what arrangement W. S. Fanshawe made with Nylic in regard to the Chicago,

know what arrangement W. S. Fanshawe made with Nylic in regard to the Chicago, Burlington and Quincy bonds which had been included in the payment of \$70,000 to the New York Life.

"This is another one of those cases, Mr. Hughes," said Mr. Perkins, "where the New York Life was treated absolutely fairly, and I suppose the record will show this. But, whether it appears anywhere else or not, there is no doubt in my mnd."

Mr. Perkins said that he agreed as the agent of Nylic to take \$250,000 of these bonds at the price at which the New York Life was selling them to Mr. Fanshawe on December 31. This price was 75. Mr. Perkins said that he thought it was a good investment, but when it came along into January, he said, and he found that the company would get a considerable profit on these bonds over and above 75, he turned back to the company the money and the cost of these bonds at 75, simply retaining for the Nylic account 4 per cent. interest on the money for the time it was in that transaction. Mr. Perkins said in response to questions that it was a langary 5 that he tayred the it was a possible to the time it was in that transaction that it was a langary 5 that he tayred the Perkins said in response to questions that it was on January 5 that he turned money back to the company.

money back to the company.

Q. Now, then, on January 5, 1905, the New York Life made a loan to W. S. Fanshawe for \$037,500? A. Yes, sir.

Q. This loan was made on the same \$1,250,600 New Orleans Traction bonds which the New York Life had sold to Fanshawe on the preceding December 31? A. It think it is prior to December 31; that is immaterial.

M. Husher was a december to the proof of the proo

Mr. Hughes wanted to know if Fanshawe, before he could make the loan from the New York Life on the entire \$1,250,000 of the bonds, wouldn't have to get the \$250,000 of the bonds from Nylic. Mr. Perkins said that he had turned the bonds back of his own yolking because he saw an opportunity own volition because he saw an opportunity for the New York Life to make money out of it. Mr. Hughes wanted to know what had become of the Chicago, Burlington and Quincy bonds taken by the New York and Quincy bonds taken by the New York Life in part payment for the \$250,000 interest in the Traction bonds acquired by Nylic, The witness said that the New York Life so I the Chicago, Burlington and Quincy st curities back to Nylic at cost.

"What was the reason for going through all that performance on December 31?" asked counsel for the committee.

"Because in our judgment it was the best."

"Because in our judgment it was the best ay to handle the transaction," replied

Mr. Perkins.

"But, why," asked Mr. Hughes, "did you make a loan of \$937,500 with the bonds as collateral on January 5, and didn't make it on December 31?"

Mr. Perkins said that all he could say about it was that the transaction was carried through in a way that the company thought best for the interests of the policyholders. Mr. Perkins said he didn't know whether there was any resolution of the finance committee authorizing a loan, but that he would look and find out. Such a resolu-

tion would not, he said, be necessary, as the treasurer would have the power to make a loan of that sort. The New York Life, while it was engaged in this council but treasured in with Fan-

The New York Life, while it was engaged in this roundabout transaction with Fanshawe, had an agreement with him whereby the New York Life was to get \$5 per cent. of the profits when the New Orleans traction bonds were finally disposed of by Fanshawe. In return, Fanshawe was protected against loss by the company.

only \$90,000,000 Morgan securities.

Mr. Perkins declared that the report which Mr. Hughes had referred to him for confirmation, that the New York Life held \$132,000,000 of what are known as Morgan securities—bonds marketed by J. P. Morgan & Co.—was incorrect. The New York Life, Mr. Perkins said, holds only \$90,000,000 out of issues aggregating more than \$1,000,000,000 turned out by J. P. Morgan & Co. Of the \$90,000,000 only a little over \$30,000,000 have been purchased since Mr. Perkins became chairman of the New York Life's finance committee.

Mr. Hughes called the witness's attention to the fact that he had testified that since he became a member of the firm of J. P. Morgan & Co. in 1902 the New York Life's Mr. Hughes the New York ONLY \$90,000,000 MORGAN SECURITIES.

Mr. Hughes called the witness's attention to the fact that he had testified that since he became a member of the firm of J. P. Morgan & Co. in 1902 the New York Life had acquired from that firm securities amounting to \$39,286,075, and that Mr. Perkins had said that he had covered over to the New York Life \$10,490.67, representing his share of the profits in these securities as a member of the firm of J. P. Morgan & Co. Counsel for the committee asked the witness to explain how it was that his profits were so small.

profits were so small.

Mr. Perkins replied that there were several reasons. In the first place the securities are all of a very high grade and yield a small commission. In the second place, he said, he represented the policyholders of the New York Life, and he believed that he was in a better position to have cheaper

commission. In the second place, he said, he represented the policyholders of the New York Life, and he believed that he was in a better position to buy cheaper for them from Morgan & Co. All of the securities which he had bought for the New York Life were taken at a very close margin of profit. Besides, Mr. Perkins remarked, he was not senior member of the firm of J. P. Morgan & Co., and his interest in the firm is not as large as some people might suppose.

Mr. Perkins said that when he covered over the profits to the New York Life he had a counter claim against the company for \$9,730, so that the amount of his check to the New York Life was really \$682.57. This was sent to the society on December 30, 1903. Since then the New York Life has purchased \$4,50,000 par value of securities. He had covered over his profit on these securities, which was only \$78.10. Mr. Perkins said that his counter claim against the New York Life was for money which he had expended in connection with advertising in Europe.

Mr. Hughes questioned Mr. Perkins about a loan of \$50,000 made to John R. Hegeman by the New York Life which has been running since 1902. Mr. Hegeman is president of the Metropolitam Life Insurance Company. Prior to 1902 the loan had been for various amounts less than \$50,000 back as far as 1892. For the most of this time Mr. Hegeman was paying the New York Life interest on the loan at the rate of 1½ per cent. He also had the \$50,000 for mor than a year at the same interest rate. Mr. Perkins said that he knew nothing about the loan; that it was a matter which would come entirely within the jurisdiction of the treasurer of the company and would not be referred to any committee. The collateral on the loan was worth, Mr. Perkins said, more any committee. The collateral on the loan was worth, Mr. Perkins said, more than \$70,000.

GRABBING EACH OTHER'S AGENTS. Thomas A. Buckner, head of the agency department of the New York Life, told about the rivalry that formerly existed between the Equitable and the New York Life in the matter of hiring agents. He said that in 1901 the Equitable by offering inducements got between one hundred and two hun-dred of the New York Life's agents in this

ity.

In the following year, it was shown, the New York Life retaliated by grabbing forty or fifty of the Equitable agents in Buffalo. The New York Life got these agents by making advances and offering bigger commissions. It was shown that the advances to Buffalo agents alone in that

head of the agency departments. The companies that are parties to the under-standing do not take each other's men, and the New York Life can get a job in any of the three other companies until six months has expired from the date of his leaving the

New York Life.

Mr. Buckner said, also, that the New York
Life has a colored card system that is employed in agency matters. He couldn't
remember what the color of the card was,

Hughea's suggestion he remember what the color of the but upon Mr. Hughes's suggestion he selected pink. A man who carried one of the these pink cards was in a position to introduce himself to the other companies who understood the eards. The pink cards, duce himself to the other companies who understood the cards. The pink cards, in other words, indicated the character of the man. When Mr. Buckner gave a man a colored card, he said, it was a sign that he was a good man and that he would like to the burk state a cartion. see him get a position.

Q. So, if the man didn't get a pink card the other companies wouldn't want him in their employ? A. Well, they would have to judge for themselves.

Q. The card, then, is practically an introduction? A. Yes.

Q. I suppose it saves a lot of trouble in writing? A. Well, no.

The hearing of the committee will be resumed this morning. It is expected that Jacob H. Schiff will be called as a witness some time in the course of the day He will be asked especially to explain hi relation to the Equitable society's indirec participation in the \$50,000,000 Union Pacific blind pool.

#### PIER RENTALS MAY BE HIGH But the Finance Department Thinks They Are About Right.

It was said yesterday at the office of the Dock Commissioner that the Allan Line. which announces that it is going to suspend its service between this port and Glasgow chiefly because of the high pier rentals, subjets from the Leyland Line one-half of the pier at the foot of Bethune street, for which pier the Levland Line pays \$84,375 a year. The Allan Line had an option on the south half of the new pier in the Chelsea section at the foot of Twenty-second street, but this pier will not be ready until next year. It appears from this that the Allan Line is withdrawing its ships in expectation

of greater expenses.

Dock Commissioner Featherson said that there was no doubt that the rentals demanded by the city for pier privileges were high, but that he had recommended a reduction to the Comptroller, whose engineer had decided that the rentals as they stand had decided that the rentals as they stand now are about right.

#### WILL TELL HIS FAMILY WOES the Purpose.

ELYRIA, Ohio, Sept. 28.-Because the public has taken what he considers an improper interest in his domestic affairs and because it has linked his name with that of a woman member of his congregation the Rev. Henry S. Wanamaker, pastor of the Second Congregational Church, says he will satisfy the public's curiosity by renting the opera house Sunday and explaining his troubles with his wife. Wanamaker created a sensation last Monday night by calling a meeting of the congregation and, with his wife present, explaining that he and she could not agree and that they had decided to separate The wife the next day filed suit for a divorce



#### MAIDEN LANE THEFT SOLVED

PLUNDER FOUND IN ROOMS OF OLD ITALIAN COUPLE.

Sistes Had \$2,000 Worth of Property of All Sorts Hidden Amid Rubbish; Also 66,000 in Bank—Have Gathered Waste Paper Downtown for Fifteen Years.

The mystery of the burglary which was committed on the night of September 20 in the salesrooms of the Derby Silver Company, at 25 Maiden lane, was cleared up vesterday by Central Office detectives. They arrested two persons for the crime and recovered some of the stolen property.

In addition to the goods of the Derby Silver Company found in the possession of the prisoners, the detectives seized in the prisoners' rooms a miscellaneous lot of property that they are convinced was stolen

The articles stolen from the Derby Silver Company were only plated ware worth about \$270, but the affair caused some comment because there was nothing to indicate that the place had been forcibly entered and burglaries in the jewelry district have of late years been rare.

Detectives Nugent and McGinnis, who were assigned to the case, concluded that the thieves must have had keys to the store. In searching the premises they discovered a piece of an Italian newspaper. There is no Italian in the employ of the Derby company, but the detectives learned that an aged Italian and his wife came into the district every morning to gather up the waste paper, which they carried away in bags. In the absence of any other clue, Nugent and McGinnis kept watch on the Italians and got Detectives Petrosino and Bonnoil to assist them.

The Italians proved to be Antonio De Sisto and his wife, Angelina, living on the first floor of a rookery at 15 Roosevelt street. The detectives found nothing in their movements to awaken suspicion, so yesterday they decided to visit their rooms. In the guise of inspectors from the Board of Health investigating a complaint Petrosino and Bonnoil gained admittance.

They found the place indescribably filthy and littered with bags and bales of paper and rags and piles of all sorts of rubbish. Against the protests of the De Sistos Petrosino emptied a bag of its contents and out rolled a tarnished silver teapot. Other bags were examined in turn and in a few minutes the detectives had uneart hed enough to warrant them in arresting the

After taking their prisoners to Police Headquarters Petrosino and the other de tectives returned to the house and continued the search. When they finished their work they had a truckload of silverware, jewelry and dry goods, all of which was removed to the Central Office. Some of the silverware bore the marks of the Derby Silver Company, and an employee of the firm identified it at Police Headquarters as part of the stuff stolen on September 20.

Other silverware was stamped Reed & Barton, Rogers & Bro. and the Wilcox Silver Plate Company. Then there were yards of shirtings marked W. P. Andrews, 62 Nassau street; several dozen shirts and yards of material marked John Forsyth, 201 Broadway; other goods marked D. H. Arnold & Co.. a silk crazy quilt, forty-seven pairs of eyeglasses, twenty-one silver forks, sixty-nine silver spoons, souvenir spoons and other silverware, a big American flag and a lot of cloth and linings. The

the police at \$2,000.

The detectives also found two bank books in the name of Mrs. De Sisto, showing deposits to her credit in the Bowery Savings Bank and the Emigrant Industrial Savings Bank aggregating \$6,000.

Savings Bank aggregating \$6,000.

The police learned that the old couple have been gathering rubbish in the jewelry district for fifteen years. When asked how they got the property which the police seized they said it was given to them by a friend. They will be arraigned this morning in the Centre street court.

## BAD BOY FROM RUSSIA.

His Crimes, It Is Charged, Range From Arson There to Burgiary Here.

Fourteen-year-old Benjamin Ginsberg was arraigned yesterday in the Children's Court, Brooklyn, for burglary, and it was then disclosed that he was wanted in Russia on a charge of arson. The boy had got beyond the control of his parents in the Russian town where they lived ,and after he had become mixed up in the arson case his father sent him to an uncle in Boston From there he came to Williamsburg On Tuesday, it was alleged, he stole \$14 from a cash register in the grocery of Louis Cohen at 151 Siegel street, and on the following day a set of plans from a new building at 155 Siegel street. A watchman caught the boy and got back the plans. It was charged that on Wednesday night Ginsberg broke into a tailor shop in Sie street near Manhattan avenue and stole trimmings valued at \$23. A policeman caught him with the plunder. He was remanded for a further hearing.

#### HUMAN TORCH IN THE STREET. Boy With Clothes Afire Runs Until He Falls Unconscious.

Enveloped in flames and screaming in agony, Robert Finkleday, 9 years old, caused a commotion in Atlantic avenue, East New York, yesterday afternoon. His clothes had caught fire while he was playing about a bonfire. The boy ran like mad up the avenue to Alabama avenue, where he fell unconscious. A woman who was in the crowd that gathered took off her jacket and wrapped it around him, smothering the flames. The boy was removed to the Kings County Hospital. His whole body had been burned, and the doctors do not believe that he will recover.

#### Boy Killed Walle Deer Hunting. UTICA, Sept. 28.-Peter Lefevre, 15 years

of age, had the top of his head blown off while deer hunting near Booneville late yesterday afternoon. The boy was with his father and several other hunters at the The wife the next day filed suit for a divorce.

Young Woman Hangs Herself.

Johanna Kohlrieser, the daughter of a carriage painter of 3 Johnson avenue, Williamsburg, hanged herself on Wednesday night with a piece of clothesline in her father's shop. She was to have been sented a sanatorium for treatment yesterday.



When a man saves a big slice of his clothing expenses by deserting his tailor and coming to us, he often feels justified in blowing himself to some extra luxury.

lining, which of course won't shade and shape. wear as well as plain serge, but which looks and feels like money in the bank.

Silk lined sack suits, \$30 to \$38. keepers."

ROGERS. PEET & COMPANY. Three Broadway Stores 842

Warren st.

can be.

Speaking of silks-our Fall neckwear is about as fine as silk Our plan of clearing out at the

end of each season every single scarf we own, save plain colors, leaves room for every good Like a suit with luxurious silk neckwear novelty, every new So every fancy scarf we have

is fresh this Fail, and even if they wanted to, our salesmen can't show you any "old shop

ROGERS, PEET & COMPANY.

Three Broadway Stores. 842

near Union Square. Greeley Square

### SECRETARY TAFT STIRS 'EM UP

TRADERS WITH THE EAST THINK THEY'RE DOING WELL.

Don't Believe Competitors Are Beating Them-As to the Need of a Reor ganized Consular Service, They Are Not Saying Anything in Advance.

Merchants and shippers in this city who

do business with the peoples of the Far East were interested yesterday in the criticisms of Secretary Taft as printed in THE SUN on the manner in which American trade is carried on in the Orient. On his arrival in San Francisco from Yokohama on Wednesday Mr. Taft said that the American merchants are being hopelessly outclassed in the quest of the immense commerce of China, Japan and other Oriental countries, that the Americans are not sending the right goods over there, that what they do send are not put up in attractive packages, that the native dealers get no chance to inspect our goods and that the United States consular service is badly in need of reorganization.

"Mr. Taft is an outsider." said the head of one of the big steamship lines running to China and Japan, "and while I have the greatest admiration for his ability as a statesman I do not believe that he is qualifled to speak with authority on the subject of our trade with the Orient. As far as I know there is no foundation for his criticisms. Merchants who are sending goods down there, you know, are not showing him what they are doing, not because they have anything to conceal, but simply because he is not in the business himself and probably would not understand at a glance what it all means."

"I was greatly surprised at what Mr.

Taft said about our trade said the treasurer of one of the big Asiatic trading companies. "I cannot conceive how he got the idea that American merchants are being hopelessly beaten in the race for business down there. The figures certainly do not show such a state of affairs. Personally I have been in the business for twenty-five years and my experience shows that our trade in China, Japan and other eastern countries is growing by leaps and

"There is a tramendous demand for American goods down there, and it is a mistake to believe that we are not doing our utmost to satisfy it by sending high class goods and by packing them in a way that will be most convenient for the buyers. that will be most convenient for the buyers. Occasionally we run across a merchant who is careless in the matter of packing, but as a general rule the shippers here do their level best to please their Oriental customers by putting up their merchandise so that it can be easily handled when it reaches the other side of the world. Every country has certain little peculiarities in matters of this kind and they have to be catered to if you want to get the trade."

All the traders interviewed preserved a diplomatic silence on the subejct of reorganizing the consular service as advocated by Secretary Taft. In regard to following the methods of our chambers of commerce in pushing the trade it was pointed out that an immense amount of missionary work

an immense amount of missionary work was constantly being done in that line by the American Assatic Association, the American Association of China, the American Asiatic Association of Japan and various other organizations of a similar nature.

SYRIAN BISHOP IN COURT With the Bussian Consul-General by His

Side-Trial Put Off. There was a big gathering of Greeks and Syrians yesterday morning in the Butler street court in Brooklyn and vicinity when the case of Bishop Raphael Hawa weeny, head of the Greek Church in North America, was called. He was charged with having attempted to shoot Policeman Mullen during an exciting mix-up between the friends and foes of the Bishop in Pacific street. Nicolas De the Bishop in Pacific street. Nicolas De Ladiginsky, the Russian Consul-General in New York, who sides with Bishop Hawaweeny, was present. When the case was called it was found that some of the Bishop's witnesses were unable to attend, and the hearing was adjourned until October 11. Capt. Zimmerman of the Butler street station had a number of plain clothes men distributed among the crowd in anticipation of possible trouble, but none occurred.

Tug Glen Cove Sinks.

Mate Clarence Vanalstein of the tug Glen Cove, lying at the foot of Seventeenth street Hoboken, returned to the tug early yes terday morning an hour after he went ashore, for the purpose of getting some ashore, for the purpose of getting some papers which he had forgotten. He discovered that the boat had sprung a leak and was fast filling. He aroused Engineer Tuttle, Fireman John Dorsey and Steward Frank Milligon, who were asleep. They scurried ashore. The tug John Gilkinson took the Glen Cove in tow and started toward the Weehawken flats. The boat went down in deep water off the Scandinavian pier.

The Seagoers.

Voyagers by the White Star liner Celtic, which sails to-day for Queenstown and

George A. Audenreid, A. H. Bryant, Wil-Tiam B. Dunning, Dr. and Mrs. Joseph Four-nier, Mr. and Mrs. John E. Hurst, Mr. and Mrs. Henry A. James, William Kenefick, Andrew M. Ogilvie, Mrs. W. S. Rainsford, J. H. Ruther-ford, Dr. William Rolland and Mrs. T. P.

# ESTABLISHED NEARLY HALF A CENTURY UTUMN Shirts and A Neckwear reveal unusually choice col-

inge and patterns. Our Haberdashery Department offers exclusive se-Neckwear: Four-in-hands, folded Squares, Ties at 50c, to \$2.50. Soft Shirts of linen and

heavy cheviot in white and colors at \$1.50 to \$3.50. Stiff-Bosom Shirts in white nd colors \$1.00 to \$2.50. Fall Gloves in the best foreign and domestic makes in Tons and Grays at \$1.15 to \$2.50. Subway Station at Gur Door.

ASTOR-PLACE-AND-FOURTH-AVENUE HIGH FINANCE NOT ALL BAD

Dean Johnson of School of Commerce Warns Against Hasty Conclusions The New York University School of Commerce, Accounts and Finance was University Building in Washington Square. Chancellor MacCracken and Dean Johnson

made addresses. Dean Johnson had this to say about high finance: "Our latest craze is the notion that every rich man has acquired his wealth by dishonest, if not illegal, methods. Things have come to such a pass that no university that wishes to escape criticism can afford to be without a sort of psychologico-financial microscope in order that it may be sure there are no microbes on any dollars that are offered it. Just at present the managers of our great insurance companies are undergoing the test. The popular craze on this subject, I am told, is so geat that people are ready to cry Stop thief

at every manager or director. "There is no evidence yet at hand warranting pessimism with regard to the prevailing standard of morality and integrity in our world of business and finance. Certain trustees may have abused their trust and have exceeded their prerogatives. but we must beware of assuming on that

account that all our great captains of finance and industry are moral freebooters.

"Personally I believe in the honesty and integrity of oar successful men, and I will not surrender that belief until I have been convinced by facts which are irrefutable. We must not let isolated cases betray our judgment into general conbetray our judgment into general con-clusions. We must not condemn the mo-tives of men, whether we are preaches, teachers or students, unless we have a teachers or students, unless we have a full statement of facts on both sides. This popular readiness to suspect and condemn the methods of our successful men can be corrected by only one remedy, and that is by a more general education in the laws and phenomena of the business world."

RESCUED THE FRESHMEN. Cops Butt Into Awful Kidnaping Case, but

Didn't Arrest Columbia Sophemores. A woman rushed into the West 152d street station all out of breath yesterday afternoon and told Sergt. O'Brien that a crowd of young men had a lot of boys around 17 years old bound and tied with ropes in an old vacant store at 3824 Broadway. She said she was sure that some of the boys

were so tightly bound that they would die if help did not reach them soon.

Some cops were hustled out and when they arrived at the old building, which is between 158th and 159th streets, they found twelve Columbia University freshmen kid-

naped by sophomores, who were standing guard over them. The cops made the sophs untie their prisoners, and made a blum at threatening arrests.

The sophomores had a tip that some of the freshmen were going to the ball game, and captured them near the American League grounds. League grounds.

No argument is needed when Grape-Nuts

is served for breakfast

Watch results.