



EQUITABLE PAID BIG BAD DEBTS

Where Nearly a Million of Policy-Holders' Money Has Gone.

MORTON SUES FOR RETURN

Turner Loans of \$718,284 on Worthless Security Taken Off Mercantile Trust Company's Hands.

WHERE EQUITABLE MONEY

President Paul Morton of the Equitable Life Assurance Society will endeavor to recover funds of the society illegally disbursed to the amount of \$883,284. The Western National Bank in 1894 had loaned \$661,491 to George V. Turner, secretary to Louis Fitzgerald, then president of the Mercantile Trust Company, on collateral which proved to be of little value.

NEW YORK, Sept. 19.—That the Equitable Life Assurance Society paid out \$718,284 to the Mercantile Trust Company in connection with certain loans, known as the "Turner loans," and that these payments were without authority, so far as the records of the society disclose, became known today when Paul Morton, president of the society, made public a report on the subject, submitted by him to the society.

These transactions occurred in what Mr. Morton refers to as the "Turner loans." This loan, Mr. Morton's report sets forth, was carried in 1894 by the Western National Bank, which was controlled by the Equitable Life Assurance Society. The collateral for the loan was obtained by a bank examiner, and Henry H. Hyde then agreed to transfer the loan and collateral to the Mercantile Trust Company.

Piling Up Loan on Poor Security. At the time apparently the loans amounted to \$661,491. George V. Turner, in whose name the loan stood, was secretary to Louis Fitzgerald, then president of the Mercantile Trust Company, and a close business associate of Henry H. Hyde.

Makes Equitable Liable.

Mr. Morton continues: The Mercantile Trust Company, however, has produced an instrument dated May 11, 1899, whereby the loan was assigned to the Mercantile Trust Company, and that it was at the request of the society that the individual guarantors assumed the obligation of participation in the Turner loans, representing that these loans were in the interest of the society and assuring them that the society would see to it that their companies loaned would be protected.

Will Sue Trust Company.

As soon as I became aware of the facts I referred to I referred the matter to Wallace MacFarlane, special counsel, to ascertain what the society's legal responsibility was in the case and to give me his opinion as to the interests of the society and to the Mercantile Trust Company should look to its guarantors for the payment of the obligation and that the society is in no sense responsible to the policy-holders for the Turner loans. It is very doubtful whether the society is liable to the guarantors. This, however, is a matter that can only be settled by litigation.

Mr. Morton found that \$250,000 was paid

TAKES MESSAGE BY AN AIRSHIP

Aeronaut Beachey Carries a Letter From Exposition to Vancouver Barracks.

HE FAILS IN RETURNING

Wind Proves Too Strong and He Sails With Current Seven Miles and Lands Near Orchard in Washington.

Message by Airship.

The message carried and faithfully delivered by Beachey follows: Portland, Or., Sept. 19, 1905. General Constant Williams, Commanding Department of the Columbia, Vancouver Barracks, Washington. Dear Sir:—I have the honor to convey to you, by bearer, the compliments of the president of the Exposition, Mr. H. W. Goode, and to express the hope that this message transmitted to you will be delivered to you promptly and safely by Aeronaut Lincoln Beachey, the pilot of Captain Baldwin's airship "City of Portland." In this connection permit me to say that if this message reaches you, as we now have every confidence it will, you will enjoy the distinction of being the first one to have ever received a document conveyed under similar auspices, and President Goode and myself will share your honors in being the first to transmit the same. Yours very truly, THEODORE HARDEE, Assistant to the President.

Heads for Vancouver.

Captain T. S. Baldwin, owner of the "City of Portland," and a large crowd of spectators watched the airship as it started on its strange mission, as a messenger through space, from the Exposition grounds at Portland, on a journey across the clouds to Vancouver Barracks. It was 11:15 in the morning when the airship started on its voyage. Aeronaut Beachey steered upward until he reached a height of about 2000 feet and then headed for Vancouver. A strong adverse wind was encountered, but the navigator of the air continued on his journey regardless of impeding winds, reaching Vancouver Barracks and delivering the message in 40 minutes' time.

Wind Proves Too Strong.

When the airship landed at Vancouver it naturally created somewhat of a sensation and became the center of attraction for the short space it remained there before departing on its return with a message from General Williams to Mr. Hardee.

Lands Near Orchard.

After leaving Vancouver, the airship City of Portland proceeded two miles toward the north, when it began blowing at the rate of 15 miles an hour and was counteracted, against which Aeronaut Beachey found it impossible to continue his course. The City of Portland then drifted with the wind for about seven miles and Beachey decided to give up his attempt to return to the Exposition grounds.

The landing was made on the farm of A. B. Gilmore, one mile north of Orchard. Harry Bonehouse grabbed the anchor rope which had been lowered and was carried for several hundred yards, when George Howard came to his assistance. Together they managed to fasten the anchor to a fence and the City of Portland was brought safely to earth.

Last night the airship was taken to Orchard in a farm wagon and will be brought to Portland today. It was entirely unharmed by the trip and will be ready for another flight at any time. When the weather permits Beachey will carry a message to The Oregonian office.

OPERATORS WILL RESIST

Baer Declares Against Eight-Hour Day for Miners.

SCRANTON, Pa., Sept. 19.—One of the largest coal operators in this region, who had had a conference with President Baer, of the Reading, today declared unhesitatingly and for publication, that the operators will not, under any consideration, grant the demands of the miners for an eight-hour day and that they proposed to agree

only that the present agreement shall be continued.

Announcement as to this effect will be made after the miners held their convention on December 14.

FARMERS MAY FORM UNION

Organizing in Middle States to Join Federation of Labor. CHICAGO, Sept. 19.—(Special.)—The Farmers of Illinois, Wisconsin, Indiana and other adjacent states may organize an affiliate with the American Federation of Labor at the coming convention in November. The project is finding great favor in Wisconsin, according to J. W. Morton, the Chicago labor leader. Morton says the farmers are enthusiastic over the plan to organize and control the price of their products.

Printers Win at Topeka.

TOPEKA, Kan., Sept. 18.—The striking Union job printers of this city have won their demands for an eight-hour day from the local Typothetae. Heretofore the printers have been working nine hours daily and receiving a weekly wage of \$15. The new contract calls for an eight-hour day and \$15 weekly.

Printers Win More Shops in Chicago.

CHICAGO, Sept. 19.—Twenty-four independent printing shops today signed contracts with the Typographical Union for putting into effect the eight-hour day from January 1. A total of 155 shops in Chicago have now signed the agreement.

Coast Man Officer of Carmen.

BUFFALO, Sept. 19.—The Brotherhood of Carmen in convention here elected L. L. Hanna, of Vancouver, B. C., second vice-grand chief.

NO DELEGATE FOR ALASKA

SPECIAL COMMITTEES LATEST SCHEME OF CONGRESS.

Legislators Who Visited Territory Will Propose It—Guarantee Interest on Railroad Bonds.

OREGONIAN NEWS BUREAU, Wash., Sept. 19.—Those Senators and Representatives who visited Alaska this Summer, including Speaker Cannon, were not favorably impressed with the idea of giving that territory a delegate in Congress, but have outlined a substitute plan which they will bring forward next session. They propose treating Alaska as Congress treats the District of Columbia, appointing a special committee in the Senate and House to consider and handle all legislation relating to Alaska.

Women Shriek in Terror.

As they reached the point of combat they threw themselves into the fray. Soon the entire hall was a mass of struggling politicians. Women, who had been provided special seats in the hall, added to the pandemonium by their screams.

Fusion With Democrats.

Finally order was restored. Daniel A. Ryan, of the reformers, was made permanent chairman of the convention, and it was after midnight when the convention got down to work.

Denounces His Own Act

Judge Condemns Exclusion Law Which He Supported in Congress.

WHHEELING, W. Va., Sept. 19.—Today in the United States Court Judge Dayton discharged from custody Yee Gei Yai, a Chinese laundryman of this city, who had been indicted for violation of the Chinese exclusion act. It was shown that he was a merchant in Boston before coming here, and not a laborer. In giving his decision, Judge Dayton, who was recently appointed to the bench after serving ten years in Congress, said:

It was largely a question of present expediency to meet the demands of the western country to shut out the Chinese, that I supported the act. I have now seen the Chinese exclusion law upon the books, our gates have been opened to those other classes of laborers. This court, as far as he can, proposes to construe for the Chinaman and against the Government because he thinks it is an unjust discrimination. I think I have said that there are two things in Congress covering that which was attacked by me. One was a vote for the

RUEF MEN START A ROUGH HOUSE

Free-for-All Fight in Republican Convention at San Francisco.

FIST BLOWS BRING BLOOD

Deputy Sheriffs and Police, Summoned to Restore Order, Take Sides and Mix in the Fray—Reformers Win.

WORK OF CONVENTION.

Republican League candidates for chairman and secretary elected by a vote of 222 to 175. Committees on organization appointed. Platform committee instructed at once to provide for a fusion with the Democrats. Ruef faction expected to walk out in the event fusion is agreed upon with the Democrats.

SAN FRANCISCO, Sept. 19.—(Special.)—The Republican municipal convention was turned into a free-for-all fight tonight. Delegates fought on the floor of the big auditorium, on the stage and in the ante-rooms. Great groups of politicians wrestled on the floor, driving their fists into each other's eyes and sprinkling the woodwork with blood. To add to the turbulence the Deputy Sheriffs and the police summoned to restore order fought with each other.

More Cases in Mississippi.

JACKSON, Miss., Sept. 19.—(Special.)—A total of 11 new cases of yellow fever was reported from various infected points in the state during the last 24 hours, as follows: Vidalia 3; Mississippi 2; Natchez 2; Gulfport 1; Pearl River 1; Handerson 9. No deaths at any point.

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GAMBLERS GET STATE'S MONEY

Governor Hanley Pours Volley Into Disgraced State Auditor.

CALLS SHERRICK GAMBLER

Indiana's Chief Executive Reveals Auditor's Relations With Gamblers and Railroads—Distributor of Passes.

YELLOW FEVER IS DYING

Decrease in Number of New Cases in Louisiana.

NEW ORLEANS, Sept. 19.—Official report on yellow fever to 6 P. M. Tuesday:

Table with 2 columns: Category and Count. Total cases to date: 2823. Deaths: 349. Cases under treatment: 321. Cases discharged: 1975. Keener reports three new cases and one death.

Preparing to Receive President.

NEW ORLEANS, Sept. 19.—While no word has yet been received by Mayor Behrman from the Arkansas authorities as to whether the train of the President would be permitted to enter that state after having visited here, it is expected the answer will be favorable, and the local committees are to be waiting at the arrival of the President's reception here on October 24.

Distributor of Free Passes.

"Before my inauguration I received trustworthy information that he had written to the management of several railroad companies in the month of December, 1894, over his own signature as Auditor of State, asking them to send some passes intended for members of the General Assembly, then about to convene, stating in substance that he expected to have some legislation of personal interest to himself before that body, and if they would send their transportation to him for distribution, he would see that their interests and his were cared for at the same time. For three weeks the office of the Auditor of State was made a broker's office for the distribution of free passes to such members of the General Assembly as would receive them.

Railroads Would Raise Money.

"On the evening of the 11th of September I was informed by one who had been aiding him and in whom I have confidence, that he could not accept a payment on the 10th. I sent him a verbal demand for his immediate resignation. The next morning his resignation did not come, but some of his friends did come and informed me that the money could be raised only upon condition that the defalcation be kept a secret and that he be retained in office. Upon inquiry I learned that some of the men who were to furnish the money were the representatives of large railroad interests in the state; that Mr. Sherriek and his friends were depending upon the assistance I could make no such bargain as that."

REYES BECOMES DIGTATOR

MOB ATTACKS HIS PALACE AND SHOOTING FOLLOWS.

Coup d'Etat in Colombia Meets Response in Revolution in Several Cities.

PANAMA, Sept. 19.—Unconfirmed reports reached here today to the effect that General Rafael Reyes, President of Colombia, declared that he would not be a member of the National Assembly in the Supreme Court at Bogota. A mob, angered by this action, attacked the Presidential palace and were fired on by the troops, who killed or wounded many of the rioters.

MINISTER DISCREDITS STORY

Last News From Bogota Is Country in Absolute Peace.

NEW YORK, Sept. 19.—Diego Mendona, Colombian Minister to Washington, is staying at present in this city. When informed of the Panama dispatch tonight, he said: "I don't believe there is a word of truth in the reports I received a cable dispatch from Bogota two days ago and it said that the country was in complete and absolute peace, and that President Reyes was engaged in the reconstruction of Colombian finances."

Painter Lost in the Alps.

ROME, Sept. 19.—A prominent painter, Francesco Vitalini, who has been spending his vacation in the Alps, disappeared, and it is feared that he has been killed in an accident.