

SAVINGS OF POOR LOST BY BANKERS

Million Dollars Stolen in Chicago.

CASHIER HAS DISAPPEARED

Shock of Failure Causes the Death of Two Men.

RIOTOUS CROWD GATHERS

Milwaukee-Avenue Bank Closed by State Officials, Who Find Fictitious Entries—Higher Officer Is Suspected.

CHICAGO, Aug. 6.—(Special.)—The Milwaukee Avenue State Bank, a concern with more than \$4,000,000 in deposits, was closed today by the State Bank Examiner. Out of the tremendous excitement which followed there are grave charges that the institution has been systematically looted since 1901 and there are hints that some of the state officers knew of the shabby condition of the institution two months ago, but permitted it to continue, presumably in the hope that it would straighten out its difficulties and avoid a crash.

The bank, which was largely patronized by foreigners of moderate means and working people, had 22,000 depositors, mainly with small accounts representing the savings of years of toil, and the excitement among them is intense. All of the day and tonight they have besieged the closed bank, hoping for a word of cheer. One man, who was the treasurer of a society and had deposited the funds of the society in the bank, dropped dead when he heard of the failure. Another depositor, believing that his savings of years had been swallowed up, committed suicide.

Two Officers Suspected.

It is said the bank was closed because of the discovery of gross malfeasance on the part of at least two of its officers. President Paul O. Stensland and Cashier W. H. Herring are being sought to explain their share in the affairs. It is said the bank had been looted of \$700,000 to \$1,000,000. Fictitious notes to this amount have been found. Numerous notes listed as assets, it is asserted, have been found to have been taken up, but canceled by their makers. There are rumors that Herring is short \$130,000, and that \$100,000 disappeared as late as Saturday night.

A member of the Clearing-House committee said this afternoon that the trouble in the bank was first revealed by President Stensland in a letter written from St. Paul to his son. It is not yet known whether the money was lost in wildcat real estate speculation or in the security market.

Two Deaths Caused by Failure.

In the excitement following the announcement of the failure, J. G. Visser, an official of the Royal League, who had on deposit in the bank funds of that organization, fell dead of heart failure. Henry Koepke, a small grocer, on hearing that the bank had suspended payment, went to the rear of his store and shot himself. He died a few minutes later, while being taken to a hospital.

Warrant Out for Cashier.

The fact that the bank was on the verge of failure was first revealed by President Paul O. Stensland, one of the absent officials. A letter to his son, Theodore, who is vice-president, written from St. Paul, and received last Saturday, started the investigation which brought about the suspension. Another sensational feature of the case was the appearance of the cashier, Henry W. Herring, and the issuing of a warrant for his arrest on a charge of embezzlement. A message ordering his apprehension was sent to every police station in this city.

Clamorous Crowd at Bank.

The first public announcement that the bank was in trouble was the posting of a notice at the beginning of banking hours by the Bank Examiner, that business had been suspended for the purpose of making an examination of the bank's affairs, and that the institution was in the hands of the State Auditor. The news spread rapidly throughout the entire Northwest side of the city, where the bank has been for years a popular depository for funds saved by working people. Soon a clamorous crowd gathered before the doors and demanded admission. Anticipating trouble a score of policemen were hurried to the scene. The people were permitted to file past the doors bearing the posted notice, and were compelled to keep moving. Only those having keys to safe-deposit vaults were allowed to enter. Many burst into tears when they found that their savings were endangered or lost. Visser, to whom the shock proved fatal, was several blocks from the bank. Hearing of the rumor, he stepped into a drugstore seeking particulars. He fell dead when assured that the bank had failed.

An examination of the bank's affairs began quietly last Saturday, after receipt of the letter from President Stensland. Acting upon instructions contained

therein, Vice-President Theodore Stensland opened a deposit box and discovered proofs that the bank's funds were in bad shape. President Potter, of the American Trust & Savings Bank, which acted as clearing agent for the defunct institution, was called into consultation. The State Auditor was notified and immediately sent the Bank Examiner to make a full investigation.

The shortage is estimated to be between \$750,000 and \$1,000,000. Disastrous speculation in real estate and in the security market is said to be responsible. Members of the clearing-house committee were told that most of this amount was wholly unprotected by adequate collateral.

All Kept in the Family.

The institution was known as a "family bank." The Stensland family, for years well-known residents of the Northwest side, held much of the stock and members of the family operated the bank. It was organized in 1891 with a paid-up capital of \$500,000, and succeeded the banking firm of Paul O. Stensland & Co. A statement made by Vice-President Stensland today showed \$1,000,000 in cash on hand. He said that the bank carried deposits of \$4,300,000 and had 20,000 depositors. The bank was not a member of the clearing house, but cleared through the American Trust & Savings Bank. The concern's New York correspondents are the Mercantile and the Chase National Banks. The last report of the bank was made on June 19, and is as follows:

Statement of Bank's Condition.

Resources: Loans and discounts, \$1,223,172.72; overdrafts, \$125,712; stocks and bonds, \$230,928.33; real estate and safe deposit vaults, \$75,000.83; current expenses, \$11,477.34; exchanges for clearing-houses, \$1,202.55; checks and other cash items, \$231,567.50; cash on hand, \$298,142.19; due from banks, \$609,424.22; collections in transit, \$25,312.23; total, \$4,897,474.80. Liabilities: Capital stock paid in, \$250,000; surplus, \$250,000; undivided profits, \$61,808.83; dividends unpaid, \$150; savings deposits subject to notice, \$3,178,195.21; individual deposits subject to check, \$650,991.83; demand certificates of deposit, \$7200; time certificates of deposit, \$40,822; certified checks, \$8651.75; cashier's checks outstanding, \$43,997.14; total, \$4,897,474.80.

Mr. Jones, who is investigating the affairs of the institution, said tonight: "It will take at least a week before I will be in a position to make a reliable statement of the affairs of the bank. From what I have ascertained, however, I started the investigation, I am of the opinion that some of the officials of the institution are responsible for the necessity of suspending business. When the examination of the books is completed, I think it will be found that Cashier Herring is not entirely to blame for the closing of the bank. While there have been reports that Herring has been using the funds of the bank for his own personal benefit, I am not prepared at the present time to state that such is the fact. On the other hand, however, I believe I have found enough to justify me in making the statement that there has been some juggling of the bank's funds and Cashier Herring is not the only one that is involved.

Some of the bank's opening for business again, I can only say that, when a Chicago bank fails and the doors are closed, they generally stay closed, and I don't believe the present time to state that such is the fact. On the other hand, however, I believe I have found enough to justify me in making the statement that there has been some juggling of the bank's funds and Cashier Herring is not the only one that is involved.

Up to a late hour tonight the whereabouts of Herring were unknown. He was last seen at the bank last Saturday night, and the police are being closely guarded by detectives.

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- Portland and Vicinity. Trial of Charles A. Watson for perjury is begun in Federal court. Page 14. Dr. Knopf, tuberculosis specialist, declares disease can be checked if common sense methods are employed. Page 9. Attorney Riddell argues that W. M. Ladd should be removed as administrator of Johnson estate. Page 9. Motor car No. 4, of Hartman system, proves unsuited to local conditions and is sent back to Omaha. California recognizes candy store girl as long-lost daughter, but, despite startling resemblance, case proves of mistaken identity. Page 7. State troops are preparing for journey to American Lake. Page 8. Program for convention of Fire Chiefs at Calgary, B. C., Page 14. W. J. Clements, insurance agent, accuses Chief Campbell of incompetency, and demands his removal. Page 8. Charles Nickell sentenced to 18 months imprisonment. Page 8.

LYNCHING STOPS TRIAL OF NEGROES

Mob Hangs Three in North Carolina.

PLEAS OF JUDGE FRUITLESS

Militia Called Out, but Has Blank Cartridges.

ACCUSED OF HIDEOUS CRIME

Speechless With Terror, the Victims Neither Deny Nor Confess Massacre of Lyrerly Family. Will Punish Guilty.

CHARLOTTE, N. C., Aug. 6.—A mob of 3000 men shortly before 11 o'clock tonight forcibly entered the Rowan County Jail at Salisbury, removed therefrom three of the five negroes charged with the murder of the Lyrerly family at Barber Junction, July 15, and lynched them. Nease and John Gillespie and Jack Dillingham, supposed to be the principals in that crime, were the victims of mob vengeance. The remaining two negroes were not molested and later tonight were taken to Greensboro.

Vain Appeal to Reason.

The mob began gathering at sundown. Mayor Boyden promptly ordered the saloons closed and with other prominent citizens, United States Senator Overman, Judge Long, who was to try the negroes, and Solicitor Hammar, gathered on the jail steps and addressed the crowd, which at that time numbered 2500. There were howls and catcalls from the mob, but for a time there was no move, the mob lacking a leader. While citizens were appealing to the mob, two men slipped through the crowd and attempted to break in the jail doors with hammers. They were discovered and arrested.

Militia Not Allowed to Shoot.

About 9 o'clock Mayor Boyden called upon the local military company for aid. It assembled quickly, but was supplied only with blank cartridges, having no orders to shoot to kill. Fireman McLendon, of Charlotte, a Southern Railway employe, was shot and fatally wounded by a member of the mob. Will Troutman, a negro deliveryman, was also shot and seriously wounded. Both of the shootings are said to have been accidental.

At 10 o'clock the mob was augmented by fully 500 men. It was but a few minutes after their arrival when a crowd of 50 men made a rush for the jail doors, overpowered the officers and effected an entrance. The great crowd surged in behind the leaders and in a few minutes more emerged from the door with its victims and marched northward.

Hanged and Riddled With Lead.

A halt was made at Henderson's ball grounds on the edge of the town. There the negroes were given time to confess the crime. They refused either to deny or confess and were so thoroughly frightened as almost to have lost the power of speech. John Gillespie wept piteously and begged for his life. Finally at midnight the three were strung up to the limbs of one tree, and with howls and curses the crowd riddled the dangling bodies with bullets. The mob then dispersed.

George Ervin was taken from the jail with his associates and closely questioned. Then the mob led him back to his cell.

Ed Barber, a relative of the murdered man, followed the mob with the prisoners to the scene of the lynching and pleaded with them to return the negroes to the jail and let the law take its course, but the mob paid no attention to him.

Massacre of the Lyrerlys.

The crime for which the three men were lynched was committed on the night of July 15 near Barber's Junction, about 40 miles from Greensboro. A. C. Lyrerly, a well-known farmer, his wife and two children were killed, while asleep, a third child was fatally wounded and the house set on fire. Sheriff Julian arrested and brought to Greensboro for safe keeping the two Gillespies, Dillingham and wife, George Ervin and Henry Lee. The trial began today at a special term of court at Salisbury.

BLOT ON GOOD NAME OF STATE

Governor Says He Will Bring the Lynchers to Justice.

RALEIGH, N. C., Aug. 6.—Governor Glenn was at 11:10 o'clock last night told by Judge Long over the telephone of the work of the mob at Salisbury. He at once wired orders to the military companies at Charlotte, Greensboro and Statesville to hurry by special trains to Salisbury. Finding these were too late, he countermanded the order. He stated that some time ago he offered the Sheriff the service of the militia, but that the offer was declined as unnecessary. He characterized the lynching as a blot on the state and said he will at once take steps to discover and bring to justice the guilty parties.

DEMOCRATS DENY MORMONS SEATS

Bitter Fight in Idaho Convention.

ALMOST COME TO BLOWS

Credentials Committee Holds a Strenuous Session.

MEETS ON LAKE STEAMER

Democrats Settle Factional Fight During Excursion Around Lake Coeur d'Alene—Fremont and Bear Lake Unseated.

PENSION GRAFTER CAUGHT

Howard M. Stearns Pretends Injury to Spine and Fools Examiners.

COEUR D'ALENE CITY, Idaho, Aug. 6.—The unseating of two Mormon delegations, one from Fremont and the other from Bear Lake County, was a sensational feature of the Idaho State Convention, which met in this city this morning. This action of the credentials committee, which was ratified on the floor of the convention this evening, was taken this afternoon on board the steamer Idaho during an excursion around Coeur d'Alene Lake, given in honor of the delegates. The committee's session was lengthy and marked by extreme bitterness. At this hour, nearly midnight, the convention is still in session, but has made little progress toward permanent organization. The anti-Mormon fight is on with a vengeance, and the outlook is favorable to the defeat of the Mormon forces, though oil may yet be poured on the troubled waters.

Opening of the Session.

The convention began its session at noon in the Coeur d'Alene Auditorium. C. H. Jackson, of Boise, chairman of the Democratic State Central Committee, called the convention to order. Ex-Senator Henry Hatfield, of Lewiston, was elected temporary chairman, and J. W. Avery, of Boise, temporary secretary. Mary E. Lynch, of Ada County, was elected assistant secretary. The convention adjourned till 8 P. M.

At 2 P. M. the delegates were taken on their pleasure trip on Coeur d'Alene Lake, on the steamer Idaho. The Democrats men are believed to be in complete control of the convention, and the Mormon side is claimed to have been arranged by them to head off danger of outside interference while the platform was being shaped.

Fight Taken Up Again.

When the convention reassembled tonight after the return of the delegates from their trip up Lake Coeur d'Alene and the St. Joe River, the fight over the question of seating the Mormon delegations from Southern Idaho was transferred from the committee on credentials to the floor of the convention.

On the steamer Idaho in midlake the issue between Gentile and Mormon was fought out during the afternoon, with a vigor that at times threatened personal violence. After a debate of two hours, in which the lie direct came near being given, the credentials committee decided to throw out the Mormon delegations from Fremont and Bear Lake Counties. Fremont's 11 delegates were excluded by a viva voce vote of about 2 to 1. The Gentile contesting delegation was seated.

In the case of Bear Lake County,

there was no contesting delegation to be seated, but the Mormon delegation was thrown out on the ground that they had repudiated the Democratic party at the last election. On this

STORM SCARES WILD WEST

Kills Two Men, Injures Several and Stampedes Spectators.

HARRISBURG, Pa., Aug. 6.—A terrific rain and wind storm struck Harrisburg today. Lightning killed Charles M. Rich and Chlo Befrand, and injured several employes of Pawnee Bill's Wild West Show. Befrand was a Japanese acrobat. Several women in the main tent fainted from fright.

GOES TO JAIL FOR HIS DOG

Doctor Hides Animal Sentenced to Death for Biting Girl.

KANSAS CITY, Mo., Aug. 6.—(Special.)—Dr. K. A. Hoogan, a prominent physician, member of the Democratic County Committee and candidate for Congress, was sent to jail today because he refused to disclose the whereabouts of his dog that officers desired to kill for biting a little girl. The doctor was later released after having agreed not to interfere with the police in their search for the animal.

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issue the committee stood 10 to 8. The committeemen from Ada, Boise, Cassia, Custer, Nez Perce, Owyhee, and Shoshone voted to seat the Mormon delegates.

Fist Fight Is Threatened.

That a physical encounter was averted at the committee meeting on the steamer was due only to the fact that a walk the table separated State Chairman C. H. Jackson and Delegate Dairymple, of Bear Lake, and that the audience was packed so closely about them that they could not get at each other by going around the table. Mr. Jackson had charged that Delegate Puggemeyer, of Bear Lake, was a late Polygamist.

The contest tonight on the floor of the convention was spirited and sensational.

On a test vote the convention by a large majority sustained the action of the committee on credentials.

The plank of the Democratic state platform which will provide for the re-enactment of the famous "Test oath," disfranchising the Mormons of Idaho, was prepared in rough form by the resolutions committee tonight and with slight modification will be adopted tomorrow. In substance it follows:

"We demand the extinction of polygamy; the unlawful cohabitation in the State of Idaho and the complete separation of church and state in political affairs; and we pledge ourselves to enact legislation that will render effective that wise and patriotic clause of the constitution of the State of Idaho which reads as follows:

The Test Oath Clause. No person is permitted to vote, serve as a juror or hold any civil office who is a bigamist or polygamist, or is living in what is known as a patriarchal, plural or celestial marriage, or in violation of any law of this state or the United States forbidding such crimes, or who in any manner teaches, advises, counsels, aids or encourages any person to enter into such a marriage, or to live in violation of any such law, or to commit any such crime, or who is a member of or contributor to the support, aid or encouragement of any order, organization, association, corporation or society which teaches, advises, encourages or aids any person to enter into such a marriage, or who teaches or advises that the laws of this state prescribing rules of civil conduct are not the supreme law of the state.

WILL REPLY TO GOMPERS

CANNON WILL DISCUSS LABOR WHEN HE IS NOMINATED.

Blame Labor Leaders for Failure to Get the Desired Legislation Through Congress.

DANVILLE, Ill., Aug. 6.—(Special.)—When Speaker Cannon is renominated for Congress, on August 16, he will deliver a speech of acceptance in which he will bring into the labor question, the educational and the immigration bills. He will accept the gage of battle hurled by President Gompers of the American Federation of Labor, and defend Congress and the Republican party against the charge that the laborer's demands did not receive their proper recognition. He will take up three questions: the eight-hour bill, the bill to amend the educational provision of the immigration and naturalization bills. He will contend that the eight-hour law now on statutes is as effective as it could be and that the bill printed by labor is absurd in its provision penalizing a workman for putting in more than eight hours a day on any work that may be performed in an establishment having any sort of contract with the Government. It would require the employes to convince themselves that their employers did business with the Government, for, if ignorant of that fact, they would have to pay \$5 every time hearing has been served on the defendant the prescribed eight hours.

He will hold Gompers and the legislative committee of the American Federation of Labor responsible for the defeat of the anti-injunction bill. The House committee on judiciary was ready to report the anti-injunction bill which was prepared by the House Judiciary Committee, Attorney-General and Commissioner of Corporations. It provides that no injunction shall be issued in labor disputes unless notice of hearing has been served on both sides. Gompers antagonized this measure and the President warned him that his antagonism would probably defeat the bill. Gompers insisted on a more radical measure and Speaker Cannon will charge that, but for his attitude, a solution of the problem, acceptable to the railroad men of the country, would have been reached.

He will charge also that Gompers at first insisted on a more radical measure of the immigration and naturalization bills. Differences of opinion arose among the ranks of organized labor and Gompers subsequently withdrew his opposition, sending word to the Speaker that the educational test would not be made an issue in the coming campaign.

Other parts of the Speaker's speech of acceptance will be devoted to a discussion of trusts, prosperity, wages and current political topics. It is authoritatively asserted that the convention will not be made an occasion of a Cannon boom for the Presidency. The Speaker is of opinion that to have such a boom originate with a gathering that may be presumed to speak his wishes would not show becoming modesty nor becoming political astuteness.

GREAT STORM IN TEXAS

Deluge of Rain Swamps Railroad and Washes Out Bridges.

HOUSTON, Tex., Aug. 6.—Reports from Ballinger, 400 miles west of here, today are to the effect that nine inches of rain fell during the past 24 hours over an area including several hundred square miles. The Colorado River and Elm Creek are higher than ever before. Santa Fe Railroad bridges are being swept away and in places the track is under 20 feet of water. Today wires are down and the devastated sections cannot be heard from. Relief trains are being sent out from Temple.

Just Escape Going Over Falls.

NAGARA FALLS, N. Y., Aug. 6.—Charles Walsh and his wife, with several women, were rescued from a disabled launch in the Niagara River yesterday, just as the craft was starting over the falls. The launch lost its propeller. Walsh tried to drop anchor, but it did not hold. They then shipped the oars and they snatched like pipe-stems in the attempt to drive the launch against the rapid current. One of the women tied a skirt to a broken oar and the attention of people on the shore was attracted. The party was rescued at the danger line.

Uttermeyer Declines to Run.

NEW YORK, Aug. 6.—Samuel Uttermeyer, counsel for the International Policyholders' Committee, today gave out a statement declining to be a candidate for trustee of the Mutual Life Company and the New York Life Insurance Company.

