

INSURANCE REPORT REVEALS SCANDAL

New York Examiners Find Irregularities in Phoenix Management.

DIVIDENDS PAID WRONGLY

Company Made Deception to Extent of \$1,000,000 in Stating San Francisco Losses and Purchased Its Own Stock.

ALBANY, N. Y., July 4.—Irregularities in connection with the management of the Phoenix Insurance Company of Brooklyn are again set forth in a report made to the Superintendent of Insurance Hotchkiss by insurance examiners.

The examination just completed covers the transactions of the company since the last previous examination, which was June 30, 1887. The present examination was made September 30, 1909, and what the examiners found at that time was a surplus above the capital of \$423,200 instead of \$1,546,648 as claimed by the company.

The difficulties of the company seem to be mainly traceable, according to the report, to the purchase by the late President Sheldon of large blocks of securities of the Council Bluffs Investment Company and to an apparent general want of supervision by the state insurance department during a period of 20 years.

Among the new matters brought out by the report are:

That all dividends declared, at least since the losses incident to the San Francisco conflagration, have been so declared on erroneous signatures; a condition of impairment rather than surplus having existed during most of this time.

A deception to the extent of about \$1,000,000 practiced on the department by the company in stating its losses at San Francisco.

The purchase of the company's stock with its own funds and a number of peculiar and questionable transactions at the Chicago agency, particularly in connection with the sub-agency at San Francisco which resulted in the ultimate falsification of the books and seemingly a considerable loss to the company.

GOVERNMENT MAY STEP IN

Nicaraguan Situation Is Now Like That Before Cuban Trouble.

WASHINGTON, July 4.—Indications are not wanting of a change of policy on the part of this government toward the Nicaraguan imbroglio, though in just what direction the State Department will turn it is impossible to say. This situation begins to approximate that in Cuba in the days preceding the war between Spain and America, when President McKinley described it as a nuisance at our door.

A line seems to be drawn north and south in Nicaragua, which neither side, Mexico nor Austria, can cross; fighting is going on continuously, the country is being ruined financially, and the considerable foreign business is seriously affected.

Moreover, neighboring states in Central America view with disquietude the probability that the strife in Nicaragua will extend over the borders into their own states. So it is not improbable that there will be a concerted movement on the part of other interested governments to set the two factions in Nicaragua to submit their causes to arbitration.

MISSING GIRL FOUND SAFE

Young Woman Is Discovered Aimlessly Wandering Near Creston.

Miss Bertha Ransom, who wandered away from her home at East Forty-fifth street and Gladstone avenue, Friday afternoon, was found near the Creston school house Saturday morning, unconscious of the anxiety felt by her parents and neighbors. The young woman left her home bare-headed to mail letters at a box a few blocks distant.

When she did not return at night, a search was instituted. The district is wooded and she could not be found. Next morning, persons living near the Creston school house saw the young woman walking aimlessly about the streets and, having read of the disappearance of Miss Ransom, took charge of her. Her parents were notified and she was taken home.

The young woman was in an accident last winter and suffered an injury to her head. Since that time she has been unbalanced.

SPOONING DECLARED LEGAL

Law Will Not Interfere With Sweethearts in Asbury Park.

ASBURY PARK, N. J., July 4.—Oh, joy! Spooning is to be permitted at Asbury Park this summer, and flirting is to be tolerated within reasonable limits. This will be good news for the boys and girls who summer at that resort and who have heretofore found the restrictions irksome. Chief of Police Smith has said it. If a man flirts with a woman, the man will not be arrested if the woman reciprocates his advances.

Of course, the police will interfere if they find any man forcing his attentions on a girl who does not desire his acquaintance. But the guardians of the peace positively will not interfere if any fair maiden takes the initiative and persists in flirting with a man.

FIREWORKS STOCK FIRED

Vancouver Store's Glass Front Blown Out by Explosion.

VANCOUVER, Wash., July 4.—(Special.)—A firecracker exploding in W. L. Burt's store ignited his entire stock of fireworks and blew out the glass front tonight.

Burt's hand was badly cut by glass when he attempted to save his stock.

ANCIENT BOAT IS FOUND

London Excavation Discloses Craft of Roman Period.

LONDON, June 18.—(Special.)—The excavations for the new London County Council Hall at Lambeth have revealed a small but ancient boat of interest. Among them is a sunken ferryboat, the date of which has not been determined, but which probably belongs to the period of the Roman occupation.

The excavation has cut the vessel obliquely, and the section has revealed a boat 16 feet in width by a length at present unascertained, and a depth of 1 foot 9 inches. It has a flat bottom. It has cross-ribs 6 inches by 5 inches, and an outer covering of 3-inch plank—ing, all of oak, black, and nearly perished.

It is intended to remove the earth down to the level of the sides, and then, under careful supervision, to clear out the remainder, so as to obtain a perfect view of the vessel before its removal, which, unhappily, cannot be effected other than by demolition owing to its state of decay.

Its position is at the bottom of the river deposit, and resting upon the last previous examination, which was June 30, 1887. The present examination was made September 30, 1909, and what the examiners found at that time was a surplus above the capital of \$423,200 instead of \$1,546,648 as claimed by the company.

BALTIC IN COLLISION

WHITE STAR LINER AND GERMAN SHIP STANDARD BUMP.

Neither Vessel Seriously Injured in Accident That Happened at Sea Last Thursday.

NEW YORK, July 4.—The steamship Baltic of the White Star line was in collision with the German tank steamer Standard, bound from Philadelphia to Copenhagen, some time last Thursday, while 1800 miles east of Sandy Hook. Neither ship was seriously injured, and both continued their voyages.

It was learned late tonight from quarantine that the Baltic and Standard collided at midnight. One man aboard the German steamer was injured. The Baltic had a small hole stove in her bows and both ships "stood by" for two hours until they found they could continue without aid.

The Baltic was the first liner to come to the assistance of the wrecked Republic and Florida, when the vessels were in collision off Nantuxet shoals in January, 1909. The passengers of the sinking Republic were first transferred to the Florida, and when it was later feared that the Florida also might sink, were taken on board the Baltic in a rough sea, by the Baltic's small boats.

It was the wireless apparatus of the Baltic that actually alerted tonight by orders of the captain, that first sent news to shore of the rescue.

The Baltic sailed on her maiden trip in June. She is 72 feet long, 75 feet beam and 49 feet deep. She has seven decks exclusive of the holds.

BATTLE WITH INSECT WON

Victory So Engrossing Though, That Warrior's Horse Runs Away.

NEW YORK, July 3.—A mosquito that would not listen to reason caused a runaway at Brookdale, N. J., yesterday.

George Gordon drove the horse and, barring visitation of mosquitoes and other public calamities, George Gordon would be able to drive his horse ad libitum without being annoyed by runaways. The mosquito that shared so largely in the runaway selected as the time for his operations a crisis in the struggle between Mr. Gordon and his spiteful horse.

Mr. Gordon was piloting the horse in Upper Broad street, Brookdale, when he discovered that the horse was going so fast that it required both of his hands to keep the animal in the straight and narrow path.

Having dwelt in New Jersey all his life, Mr. Gordon is acquainted with the measures to be taken against a mosquito in all ordinary circumstances. He at once put into effect as many of these measures as he could think of. He tossed his head, blew his breath toward the implacable visitor and tried with various desultory exclamations to shake the insect off. The mosquito with a will of its own stayed the harder it stung.

Finally Mr. Gordon dropped there and heaved the mosquito. He did not do this before he thought he had weighed carefully the effects that might follow the relaxation of his vigilance over the horse. He did not gauge these effects accurately. For instance, he did not know that while he was killing the mosquito the horse would run away.

This is what the horse did. Mr. Gordon was thrown from his buggy and hurt and the horse was stopped with difficulty. The mosquito, however, and that is something, was killed.

RECKLESS CYCLIST KILLED

Five Minutes Before He Playfully Asks That Wife Be Notified.

DENVER, July 4.—"If I'm killed, wire my wife in Fresno," laughed W. W. Thorpe, a motorcycle racer, when cautioned against reckless riding at a local amusement park this afternoon. Within five minutes he was dead.

Thorpe, who rode under the name of Ben Brazie, was warning up before a race when he took the chance, which proved fatal. Running 90 miles an hour, he attempted to pass between W. P. Miller, amateur rider, and the track fence. His wheels seemed barely to touch Miller's machine, but he fell, striking the track and spinning like a top. He went 30 feet along the ground, hit a fence post and was plucked up with his neck broken and his jaw fractured. He died before aid reached him.

Mrs. Thorpe was notified.

JUDGE M'CREIDIE IS HERE

Representative Says Cannon Would Have Made Great Ballplayer.

Wearing a broad smile of satisfaction despite the fact that his train was five hours late, Representative W. W. McCreddie, of the Second Washington District, arrived in Portland early this morning and registered at the Imperial Hotel.

Briefly Judge McCreddie expressed himself as satisfied with the work of the session of Congress, but explained that he was too tired to discuss details. He also refused to talk of his future legislative plans pending conference with his constituents.

"Ah, but Joe Cannon would have made a great ballplayer," was one of Representative McCreddie's confidences.

The Law and Commandments.

Woman's Home Companion.

The mother of little 6-year-old Mary had told her a number of times not to hitch her sled to passing sleighs, feeling that it was a dangerous practice. It was such a fascinating sport, however, that Mary could not resist it, and one day her mother saw her so skimming past the house behind a farmer's "bob."

When she came in from play she was taken to task, her mother saying severely, "Mary, haven't I told you that you must not hitch onto bobs? Besides, you know, it is against the law." Mary tossed her head. "Oh," she said, "don't talk to me about the law. It's all I can do to keep the Ten Commandments."

TWO NEGROES LYNCHED

Angry Mob Storms Jail and Gets Prisoner's Slay.

CHARLESTON, Mo., July 4.—Two negroes, Robert Coleman and Sam Fields, were lynched here this after-

2 DEAD IN DRAWM OVER LITTLE GIRL

Father Slays Daughter, to Secure Whom He Killed Ex-Wife's Husband.

MURDERER FATALLY SHOT

Third Man Opens Fire on Belligerent One Who Returns It Before He Drops—Condition of Interloper Is Serious.

EAST ST. LOUIS, Ill., July 4.—One man and a young girl were killed, another man probably fatally wounded and a third man seriously injured, when Robert Higinbotham, aged 40, of Kansas City, attempted forcibly to remove his daughter from the home of his ex-wife here today. He killed the latter's present husband and his own daughter. The dead:

Michael Moser, East St. Louis. Evelyn Higinbotham, aged 11, shot through head.

Robert Higinbotham, shot through chest, probably fatal. Henry C. Fellauer, shot through arm and chest, condition dangerous.

Higinbotham was divorced from his wife five years ago and two years ago, she married Moser, retaining the custody of her daughter, Evelyn. Higinbotham came from Kansas City this morning and, after making inquiries, ascertained where his former wife was living.

He went to the house and was met at the door by Moser, who refused to allow him to take the girl. He pulled a revolver and shot Moser, while the girl stepped in the just in time to receive the second bullet.

Fellauer, a boarder, who then appeared, shot Higinbotham and the latter returned the fire, when he fell to the ground.

HUMAN LIFE TOO FAST

MINISTER SEES DANGER IN MODERN TENDENCIES.

Some Races Do Not Mix, Says Rev. Dr. Dyott, Deploing Drift of Present Day Events.

"Actually, practically and immediately it would seem that we have not enough patriotism in America to save her, but I think I can prove that potentially we have."

Such was the statement made by Rev. Dr. Luther R. Dyott in the pulpit of the First Congregational Church Sunday night in answer to the question, "How Do We Enough Patriotism in America to Save Our Country?"

He did not speak of the patriotism that killed men, but of that which helped them to live. He decried the modern love of excitement, said it had come to be a disease which made men go wild over the return of an extant President or a prize fight, spoke of the dangers arising from foreign immigration and the intermingling of American blood with that of other nations, said the trusts in the hands of men who could be counted on the fingers, and who throttled the office holder were a menace, and said the children now in school were the saviors of America.

"Patriotism is something more than flags on schoolhouses and other public buildings, churches included," he said. "It is more than sentiment with a small of patriotism in it. It is more than standing at the graves of dead soldiers, and teaching children history and patriotic songs. Patriotism is a love for all mankind, not merely a love for one's own country.

"There is not as much danger from foreign invasions as from the tendencies of our modern life. We may possibly have to give Japan a little chastising, that she may learn what she ought to do, and what she ought to be; but we are seriously alarmed over that. We share one thing that is inevitable to civilization. With the intermingling of nations there comes an international spirit which is good as far as it goes. We are in danger of overlooking that some races cannot mix to advantage, and in other cases the finest kind of manhood can be produced. One of the best things in the world is the intermingling of the Scotch and the Irish. Nations begin to disintegrate when they begin to mix blood which was never intended to be mixed.

"The Little Italies, and Little Germanies, and Little Irelands and Little Russias, unassimilated, with the allegiance of their people somewhere else, are a menace to us. These people must be assimilated. "We make it possible for a man to become disgracefully rich in a short time. We are fast reaching the point when a few men who you can count on your fingers can say to this country, 'If you don't put in office the men we want, we will bring on a financial panic.' That is a menace. I don't care how many schools that man may endow, or how much oil stock he has. Not one man in a million can do right with this sort of power.

"America's hope is in her children."

BLACKMAILERS GET BUSY

Rich Hamburg Merchants Feeling "Touch" of Gang.

HAMBURG, July 4.—(Special.)—Once more North German merchant princes are being preyed upon by a bold Camorra of blackmailers. Julius Heer, a shipowner, has paid out thousands of dollars and half a dozen others have temporized with the gang.

But when Frau Vieth, widow of a rich sportsman, received a demand for money, she handed the communications to the police. No offense was alleged by the blackmailers—they simply demanded money on penalty of death.

A clew was found and the police started hot foot to the headquarters of the gang. They received a demand for money, and their activity has redoubled, but the police have failed to lay them by the heels.

TWO NEGROES LYNCHED

Angry Mob Storms Jail and Gets Prisoner's Slay.

CHARLESTON, Mo., July 4.—Two negroes, Robert Coleman and Sam Fields, were lynched here this after-

noon for the murder of William Fox, a planter of Mississippi County. They were taken from the county jail by a large crowd of infuriated citizens, who broke down the doors with sledge-hammers shortly after 4 o'clock. The negroes were alleged to have shot Fox in the back while he was riding in his wagon about two miles from town last night. He died after identifying his assailants.

This morning farmers began flocking into Charleston. Alarmed by threats of lynching, Sheriff Culpask asked for assistance of Governor Hadley. The Sheriff's were powerless to check the mob, however. It required two hours to break into the jail. The men rushed in upon the frightened negroes at 4:30 o'clock and, with yells, took them outside.

One negro was hanged in the jail-yard, after he had confessed. The other negro was hurried into an automobile and taken to the spot where he had hidden the revolver with which Fox was shot and was then taken back to Charleston.

In the presence of nearly 5000 people the second negro was hanged from a crossing sign. Another negro was taken from the county jail here last night, horse-whipped and shot. It is reported that many negroes are leaving the city.

At 2:30 A. M. order had been restored. A report that Governor Hadley had ordered out troops could not be verified. No troops had arrived at that hour.

NORTHWEST FANS MANY

JACK GRANT SAYS RENO SEEMS LIKE PORTLAND OR SEATTLE.

Spokane Delegation Arrives With Banners Flying—Jeffries Looks Like Winner.

BY JACK GRANT.

RENO, Nev., July 4.—(Special.)—There must be something like 1000 fight fans from the Northwest in Reno tonight, and it looks almost like walking down the streets of Portland or Seattle. The Seattle delegation arrived in this morning and the Portlanders are here in good numbers. Ed Mendenhall is among the Oregonians who are on the job, and he says that he wouldn't miss this fight for the world.

It is the calm before the storm and although there have been thousands of visitors arriving on special trains from California and the East, the fighters have been taking life easy.

Jeffries has been around the house all day. I was at Moans Springs this morning for a short time, and he was on the lawn playing with his dog. That speaks pretty well for the way he feels about the fight. I have seen Jeffries prior to many of his championship battles and there was never one of them in which he was apparently as confident as he is today. He acts and looks the part of a man who is satisfied with his condition.

Fitzsimmons visited Jeffries while I was on hand and he remarked afterward to me that he never saw a man in as fine physical shape. "Fitz" ought to know something about condition and his opinion speaks well for the retired champion. Fitz and I also think that it will be a short fight.

There are three reasons why I think that Jeffries will win in this contest. First of all, Johnson is afraid of him and that is half the battle; second, Jeffries has a better punch than Johnson, who is sadly lacking in that respect, and third, Jeffries can stand punishment much better than the colored man. Of course, everyone is entitled to his own opinion of this fight, but that is the way I have it done out. Tomorrow we will see how closely I come to the truth.

Johnson, they tell me, is as supremely confident as ever a fighter has been. He has a ring. Billy Johnson joined the Johnson camp today and will act as chief second and adviser to the colored man. There are bitter feelings between Delaney and his former charge, Jeffries.

and there may be something going when the two meet in the ring. I have just learned that the Spokane delegation has arrived with banners flying to join the crowd of fight fans. I never saw such a gathering of notables as is here at the present time and I doubt if I ever will again.

A crowd of something like 14,000 people is expected. The seat sale today was reported at \$60,000, and the promoters are now assured of making some money.

A national physical laboratory in England uses a whirling table with a 60-foot arm to test the thrust of airplane propellers.

Yellowstone Park Excursion

Saturday, July 9, 1910 (Leaving Portland at 10 P. M.)

via the Oregon Railroad & Navigation Co.

AND Oregon Short Line

\$79.75 Special Round Trip \$79.75 Rate from Portland

GOOD FOR RETURN UNTIL OCTOBER 31

Which includes rail transportation to and from Yellowstone Park; stage transportation through the Park; all meals and lodgings at Park hotels during the five days' tour.

Grandest Scenic Trip in the World

Embracing stops at the famous Park Hotels, seeing the Geysers, Mountains, Lakes, Cataracts, Canyons, Buffalo, Elk, Bear and other animals in their wild state.

INTERESTING SIDE TRIPS AT SMALL EXPENSE Parties desiring to return via Salt Lake through California can do so for \$29.00 additional, or \$108.75 from Portland.

THE FINEST EQUIPPED TRAIN IN THE WEST will be provided for this event, and will include Pullman Sleepers, Diner, Parlor Observation Car, and all the latest conveniences that go to make the trip pleasant and comfortable.

Full details, with pamphlet descriptive of the trip, map of the Park, etc., can be obtained by writing to our City Ticket Agent, Third and Washington Streets, Portland, Oregon, or to

Wm. McMURRAY, General Passenger Agent

Remember to Take Societe Chocolats

When Pleasure Bent

POSAM'S GREAT WORK IN CURING ECZEMA

Uniform Success in the Treatment of All Surface Skin Diseases.

The remarkable work which poslam, the new skin remedy, is accomplishing in the eradication of eczema includes itching, burning, and all the trouble having affected all parts of the body.

"For fifteen years I have had eczema on my head," says Mr. E. C. Stinson, Woodbridge, Va., "the scalp being nothing but a mass of pimples, and my first box of poslam helped me, and now my scalp seems to be entirely cured, leaving clear, clean and healthy skin. I think it is the greatest remedy in the world for this disease. All other skin diseases, including acne, freckles, shingles, barber's itch, piles, salt rheum, skin scales, etc., are relieved and cured by poslam in like manner, itching being stopped at once. The less serious troubles, such as pimples, red and inflamed noses, fever blisters, sunburn, etc., respond so readily that results are seen after an overnight application. Write to the Emergency Laboratories, 32 West 25th street, New York City, and they will send you by mail, free of charge, in plain wrapper, enough poslam to find they had all decamped. Since their activity has redoubled, but the police have failed to lay them by the heels.

Poslam is sold by the Owl Drug Co., and all druggists everywhere in two sizes at 50 cents or \$2.

KNIGHTS STACY-ADAMS SHOES