MANY SMIRCHED BY INQUIRY

Astounding Exposure of Corruption Has Resulted From Insurance Investigation.

REVOLUTION FORCED IN COMPANY MANAGEMENTS

Men in High Places Besmirched and Light Thrown on Questionable Actions of Financiers and Capitalists.

(Special Correspondence of The Journal.)

New York, Jan. 1.—After pursuing a line of inquiry into the business methods of life insurance companies in this state which has covered a period of nearly four months the legislative insurance investigating committee has ended its sessions.

The vast accumulation of testimony, which contains revelations that have astounded the public not only in this country, but in several others, and which have from time to time created unparalleled sensations, will at once be prepared in the form of a report to the legislature.

The termination of the inquiry marks an epoch in state affairs which will be carried down into history as the ending of an event which has brought forth more startling disclosures than any previous proceedings laid along similar lines. Like a match applied to a hay stack, the slight trouble arising in the affairs of the Equitable Life Assurance society in the early part of the year started a conflagration of insurance exposures which to the public mind appeared inconceivable.

Evidence which described the juggling of vast sums of money invested by policy-holders, methods of "graft" for personal vantage, schemes for financial gain and plans of bewildering intricacy for private profits, have been produced and will be the subject of the most earnest consideration of the legislators.

Men in High Place Smirched.

Charges of the gravest nature have been made by various witnesses against each other and men of the highest prominence have been involved in scandalous details. The integrity of men supposed to be of indisputable character has been besmirched and veiled accusations against the founders of state laws have been plentiful.

The following are the most important points of testimony, which have emanated from witnesses questioned by Charles E. Hughes, counsel for the committee, beginning with the first sessions held in September and ending with the close today:

John C. McCall, secretary of the New York Life Insurance company and son of its president:

No written record of 35,000 policyholders' proxies was ever kept by the company.

Every elector who voted at the election of officers was either an employe or official connected with the company.

William Alexander, secretary of the Equitable Life Assurance society:

James Hazen Hyde went so far as to change a codicil in his will to make Thomas F. Ryan secure in his rights as stock owner of the Equitable Life.

Edward D. Randolph, treasurer of the New York Life Insurance company:

Clerks on salaries of $600 a year acted as dummy borrowers of millions of dollars to cover up stock transactions with the New York & Security Trust company as loans.

Difference of $900,000.

George W. Perkins sold $800,000 of International Mercantile Marine stock to J. P. Morgan & Co. on December 31, 1903, and bought it back again on January 2, 1904, so as to give the state superintendent of insurance the impression that the company only held $2,206,000 of the stock, when in reality it was the owner of $4,000,000 worth.

Frederick A. Shipman, assistant treasurer of the New York Life Insurance company:

Joint accounts were participated in by insurance companies with banks whereby the company furnished the moneys necessary to take part in speculative deals and divided the profits with the bank.

Frederic Cromwell, treasurer of the Mutual Life Insurance company:

Every member but one of the finance committee of the Mutual Life Insurance company is a stockholder in the Guaranty Trust company.

Officers and directors in the Mutual Life never hesitated to take personal profits as buyers or sellers of bonds in underwriting transactions.

The Mutual holds 2,000 shares in the Morton Trust company and several officers and trustees of the Mutual are stockholders in the trust company.

Made $26,000 in five years from personal participations in syndicate deals.

George W. Perkins, vice-president of the New York Life Insurance company and partner in the firm of J. P. Morgan & Co.:

Contributions totaling up to $150,000 were made to the Republican campaign funds during the last three campaigns by the New York Life.

Three separate amounts of $50,000 each were paid to Cornelius N. Bliss by the president of the company.

New York Life paid J. P. Morgan & Co. 6 per cent interest, or $266.67, for the one-day purchase of the marine stock of $100,000.

"Yellow Dog" Fund.

Henry Rogers Winthrop, assistant secretary of the Equitable Life Assurance society:

A participation of $1,670,000 by the Equitable Life in Union Pacific syndicate was made in the name of J. H. Hyde only.

Brought out facts concerning "Yellow Dog" fund of George Squire, trustee.

While Chauncey M. Depew was a director in the Equitable Life he contributed various sums, ranging from $55,000 to $100,000, in syndicate deals.

John A. McCall, president of the New York Life Insurance company:

Accused Alton B. Parker, as democratic chairman in New York state, of collecting corporation money for campaigning purposes.

Parker men dogged him for money.

Two hundred and thirty-five thousand dollars was paid Andrew Hamilton between December, 1903, and May, 1904, for "legal services."

No vouchers were ever given for the $235,000.

Gave campaign funds to defeat "free silver heresy."

Since 1900 the New York Life paid Andrew Hamilton $476,927.02 for legislative influence.

Jacob H. Schiff, head of the banking house of Kuhn, Loeb & Co. and former director of the Equitable Life:

Directors are merely figureheads in big corporations.

Facts About McCurdys.

Robert H. McCurdy, general manager of the Mutual Life Insurance company and son of its president:

Members of the McCurdy family in the Mutual Life got $3,697,453 from company in 10 years.

Personal income totaled $1,764,822.52 in 20 years.

Income of Louis A. Thebaud, son-in-law of president of the company was $932,831.30 in 12 years.

Richard A. McCurdy, president of the Mutual Life Insurance company:

Paid out $90,000 in campaign funds.

Paid out $300,000 in two years for "legal expenses."

Received salary of $150,000 a year.

John R. Hegeman, president of the Metropolitan Life Insurance company:

"Swapped" loans at obliging rates of interest with President McCall in sums as high as $25,000.

Banker friends got loans from Metropolitan at cut rates.

Received $71,000 in rebates in three years.

Emory McClintock, actuary of the Mutual Life Insurance company:

Expense of securing new business was not being met by premiums.

Recommended a law limiting insurance companies to keep within $1,000,000,000 of outstanding business.

James Hazen Hyde, vice-president of the Equitable Life:

Odell Brought In.

Quoted Edward H. Harriman as saying to him that former Governor Odell used threats and caused the introduction of the Ambler law to take away charter of Mercantile Trust company unless he was paid the $75,000 he had put into the fatal shipyard stock deal.

Charged Edward H. Harriman and Henry C. Frick with supporting his ambition to become United States ambassador to France so as to get him out of the way.

Personally paid out of his own pocekt $213,000 to assist James W. Alexander and Thomas D. Jordan to make up $585,000 "yellow dog" fund loan to the Mercantile Trust company.

Edward H. Harriman, banker and director of the Equitable Life:

Denied Hyde charges.

Admitted directors are practically powerless to direct.

"Odell had political influence because of his relations with me."

Admitted threatening Thomas F. Ryan with derogatory influence if not allowed to have a part of Equitable shares and charged breach of faith.

Benjamin B. Odell, former governor of the state of New York:

Denies Hyde charges. "No truth in it, so help me God."

Never knew anything about political contributions. Never solicited subscriptions.

Admitted fathering Ambler bill, but denied that he did it in relation to the Mercantile Trust company solely.

As to Senator Depew.

Chauncey M. Depew, United States senator from New York and former director in the Equitable Life Assurance society:

Knew of political contributions.

Received $20,000 retainer from Equitable for advising Mr. Hyde.

Denied knowing identity of "rantankerous friend up the river" mentioned in a letter sent by John A. Nichols.

Thomas C. Platt, United States senator from New York:

Admitted receiving $10,000 annually from Equitable Life and at intervals similar sums from Mutual Life, which he turned over to chairman or treasurer of Republican state fund.

John A. Nichols, lawyer retained by insurance companies to look after legislatures:

Identified "rantankerous friend" as W. S. Manning of Albany.

Gage E. Tarbell, second vice-president of the Equitable Life Assurance society:

Has $325,000 insurance on his own life.

Received rebates on every policy.

Received agents' commissions every year on his own policies.

W. S. Manning of Albany, writer and journalist:

Wrote book objected to by insurance companies.

Was paid $460 a year by companies to suppress it.

Nichols received $1,000 a year for him.

Milton M. Mattison, auditor of New York Life Insurance company:—

Subterfuge Resorted To.

New York Life participated to the extent of $2,400,000 in original United States Steel corporation syndicate, managed by J. P. Morgan & Co., but resorted to subterfuge to conceal fact and kept information from committee.

Andrew Hamilton received from J. P. Morgan & Co. $59,310.79 profits which the New York Life was entitled to.

A loan made last year by the New York Life to a Boston concern amounting to $930,000 accrued profits of $40,000, which were paid to the personal account of George W. Perkins.

Horace H. Brockway, director in the Mutual Reserve Life Insurance company:—

Paid Frederick A. Burnham, president of the company, $6,000 for making him a director.

Thomas F. Ryan, banker, broker and owner of the Hyde shares in the Equitable Insurance society:—

Harriman threatened to use his influence against him and the society if he was not allowed to share in the Equitable deal.

Harriman threatened to influence the legislature against the society.

Francis Hendricks, state superintendent of insurance:—

Never knew anything about scandals. "Nobody told me."

Louis F. Payn, former state superintendent of insurance:—

Didn't know anything about insurance when he took office.

Scored President Burnham of the Mutual Reserve Life Insurance company.

Called some of the employes of the Mutual Reserve a "parcel of crooks."

MURDER TRIAL OF REMEY BEGINS AT HELENA

Testimony of State's Witnesses Appears Much Against the Defendant.

(Special Dispatch to The Journal.)

Helena, Mont., Jan. 5.—Good progress was made today in the trial of Camille Frederic Remey, the young French-Canadian, charged with murdering W. J. Oliver, near Wolf creek, last September, several of the state's most important witnesses being examined, including Sheriff Scharrenbroich, Coroner Bennett and Dr. King.

The sheriff told of finding the body of young Oliver in a shallow grave and how in various ways they secured a description of Oliver's companion, whom it later developed was Remey. He then told of the long chase after Remey, extending from Wolf creek to Vancouver, British Columbia, by way of Helena, Missoula, Gateway and Nelson, and of finding some of the dead man's effects on Remey even in Vancouver, while others were found along the route.

Coroner Bennett's testimony, as well as that of Dr. King, had to do with the wounds, inquest and condition of the body.

BAKER CITY MAN IS ROBBED IN NEW YORK

(Journal Special Service.)

New York, Jan. 5.—William C. Driver, claiming to be a wealthy mining man from Baker City, Oregon, arrived here last night and in the space of an hour he was minus all his ready cash and a diamond ring. Driver was approached while in the Casino cafe on Broadway by a man claiming prior acquaintanceship. The two were joined by a third and all became quite friendly. From matching quarters for the drinks the game increased in size until Driver's roll of bills was gone and also his diamond ring, which one of the new found friends had taken to examine.

MUNICIPAL OWNERSHIP DELAYED BY COUNCIL

Chicago, Jan. 5.—The city council today referred the proposed traction ordinance, designed for the settlement of the municipal ownership problem, back to the committee on transportation for further consideration. The council is pledged to act finally upon the matter before spring, so that the people can vote upon the adoption of the council's recommendation at the coming election.

CONTROL OF WATERFRONT

(Continued from Page One.)

I wish especially to express my hearty thanks.

And to the Council, Too.

"To you, gentlemen of the council, wherein you have laid aside political preference and plans of petty interference with the deceit management of the city's affairs, I, too, express my thanks and say to you that I appreciate your motives and actions in that direction at their true and honest value."

SAYS PREACHER IS CRUEL BRUTE

Judge Frazer, Hearing Wife's Testimony, Suggests Conversion by Whipping Post.

MRS. HOLGATE SAYS HUSBAND BEAT HER

John T. Panel, Mrs. Panel Declares, Left Home Seven Years Ago to Seek a Job, Saying He Would Send for Her When He Found One.

After listening to tales of most revolting cruelty upon the part of Rev. Legrand D. Holgate toward his wife, Judge Frazer allowed Mrs. Holgate a divorce this morning, and then said:

"If this man is sane, some steps should be taken toward making a Christian out of him, for I think this is about one of the worst cases of cruelty I have ever heard of. I think his conversion should start with the whipping-post."

Mrs. Holgate said that her husband was a minister of the gospel, and the last she heard of him he was pastor of the Nazarene church at Ashland, Oregon. She said that some time after their marriage he did things unbecoming a preacher and she told him he should step down from the pulpit.

"He said he would make me sorry for what I had said," continued Mrs. Holgate, "and he began by slapping me. Later he beat me and I left him and came to Portland. He followed me and promised me that if I would take him back and allow him to continue to preach he would be good.

"I made up, but he soon began to act wrong again, and once more started to beat me. During April, May, June and July, 1905, I was afflicted with nervous paralysis, and during a part of that time I was unable to speak, or see, or move any part of my body, excepting my right hand. During this time he heaped abuses on me. At one time my body was covered with marks and bruises. He told me that if I attempted to leave him he would kill me, and on September 9 I told him he would have the chance, as I was going to leave. He was waiting for me at the depot, and I had secured a policeman to guard me when I got on the train."

Still Looking for Work.

On January 2, 1899, John T. Panel left his home in Portland for Arizona to look for work, promising to send for his wife as soon as he found a job. Panel is still seeking the job. At any rate he has never sent for his wife, and this morning Judge Frazer granted her a divorce. Panel was a carpenter, and when hard times came to Portland he decided to go south. Mrs. Panel consented to the selling of their cow, and as no money could be secured on their place in Albina Heights he borrowed $50 on a note. Mrs. Panel this morning said that her husband had not sent her any money since April, 1899; that she had paid the $50 and had been compelled to earn her own living. They were married at Oregon City, December 1, 1898.

Deserting her baby, who was low with diphtheria, and breaking the quarantine laws, Mrs. Alta G. Mullen ran away with J. Francis Keely in December, 1904. Keely is a vaudeville actor. This morning Edward J. Mullen secured a divorce and the custody of their two sons. The couple were married at Boise, Idaho, April 19, 1897, and were living in Baker City when Mrs. Mullen met the actor. They have traveled through Colorado and Utah together.

"He said he was going to take his matchbox and leave," said Mrs. Stella Lambert this morning when on the witness-stand in telling of how her husband deserted her on August 18, 1902. William Lambert is said to be foreman for the Banfield-Veysey Fuel company. The couple were married at McMinnville, Oregon, April 30, 1899. Judge Frazer allowed the plaintiff to resume her maiden name of Stella Lambert.

Gave Her a Ticket Back.

Mrs. Zula M. Norwood said that when she returned to R. R. Norwood after she had been home for several months seriously ill, he did not seem pleased to see her. He was living at Missoula, Montana, and gave her a ticket to come back to Portland. He has not come after her. They were married at Bellingham, Washington, August 6, 1902.

Charles H. Fuller, a local steamboat captain, this morning was allowed a divorce from Mrs. F. A. Fuller. He said that in June, 1901, Mrs. Fuller accompanied their two daughters to California and has not returned.

The Fullers were married in Portland on November 9, 1886.

"We lived with his people as long as they would keep us, then we lived with my people as long as they would keep us, then we tried it alone and found that my husband could not support us," said Mrs. Myrtle Nannary. She asked a divorce from Edward F. Nannary.

"What is the matter with that husband of yours?" asked Judge Fraser.

"He's a drunkard, your honor," was the answer.

She was allowed a divorce. The couple were married on June 21, 1892, in Sacramento, California.

SHIPWRECKED CREW IS PICKED UP ON BEACH

(Journal Special Service.)

Pensacola, Fla., Jan. 5.—Captain Borden and six members of the crew of the American schooner Nokomis were brought here from St. Andrews last night, where they had been picked up on the beach in an unconscious condition and almost dead from exposure. The Nokomis left Gulfport two weeks ago for Cuba with a cargo of lumber. The vessel sprung a leak and the crew was forced to abandon her in a heavy gale. They drifted for six days and nights with scarcely a morsel of food or a mouthful of water until washed on the beach.

HALF MILLION BUILDING FOR MILITARY SUPPLIES

(Journal Special Service.)

Washington, Jan. 5.—Representative Kahn of California today introduced a bill appropriating $500,000 for a fireproof building at the Presidio for use as a storehouse for military supplies.

Millions of Salmon Hatched.

Salem, Or., Jan. 5.—The result of the salmon hatchery operations in Oregon the present season has been the propagation of nearly $7,000,000 salmon, according to the report made by the master fish warden to the fish commissioner today. The hatcheries still contain many small fry, while many thousands have been turned loose.

STANDARD OIL IS ON THE RACK

Trust Resorts to Dilatory Methods to Delay Missouri Investigators in Cotham.

DEPOSITIONS TAKEN OF OFFICIALS IN LONG HAND

William Rockefeller, Henry Rogers and Other Millionaire Magnates Forced to Answer Questions to Remain in Missouri.

(Journal Special Service.)

New York, Jan. 5.—The fight of Governor Folk to drive the Standard Oil company from Missouri was resumed in this city today when the officials of the oil trust were called before Commissioner Sandborn to give testimony in the two suits brought to oust the company by Attorney-General Hadley in the Missouri courts.

The Standard Oil company is being prosecuted for alleged violation of anti-trust laws. Attorney-General Hadley of Missouri and several assistants represented the state of Missouri, while the Standard Oil company was represented by an imposing array of legal talent. Among those present were a number of prominent officials of the Standard Oil company who had been subpoenaed to appear as witnesses at the hearing before Commissioner Wolfman. Among them were Henry Rogers, James A. Moffatt of the executive committee of the company, Frank O. Barstow and Howard Page. In all 21 directors and officials of the Standard Oil company have been summoned to appear as witnesses.

H. H. Rogers, W. G. Rockefeller, James A. Moffet, Edward Bedford and Howard Page appeared and were sworn. The schedule of their appearances was made and they were excused. A. B. Jockel, the first witness, was just sworn when Frank Hagerman of the Standard counsel moved that the testimony be taken in long hand under a section of the criminal code of the state. Hadley objected to the motion as serving no purpose except to delay the hearing, declaring that they would be there all winter.

Hagerman in reply said: "I don't care if we stay a year. There are plenty of good shows here. We are from out of town and had just as soon stay here."

In the examination of witnesses the Standard attorneys fought every inch, objecting every moment to the questions asked by the Missouri attorneys.

The hearing has been dubbed "Hadley's school of Penmanship." Hadley thinks it will take about eight days to complete the testimony. He had expected to be finished and go to Cleveland to take testimony next Monday.

GRAND DUKE ASCENDS THRONE OF SAXE-WEIMAR

(Journal Special Service.)

Berlin, Jan. 5.—The city of Weimar was en fete today in celebration of the fifth anniversary of the accession of the Grand Duke Wilhelm Ernst to the throne of Saxe-Weimar. The young grand duke, though comparatively unknown among European royalties, is likely some day to come prominently into the limelight, as he is the next heir to the throne of Holland. If Queen Wilhelmina has no male heir the grand duke will become king of Holland. But this is not his only claim to public attention. He is reputed to be the richest of royalties in Europe. In addition to his hereditary lands and fortune, he inherited immense estates in Holland and Silesia from his grandmother, the Grand Duchess Sophia, besides $20,000,000. He was born on June 10, 1876, and succeeded his grandfather on January 5, 1901. He was married April 20, 1903, to Princess Caroline of Reuss. She died a year ago, after a brief wedded life, which, according to report, was very happy.

SEATTLE BALL CLUB LOSES TEN THOUSAND

(Special Dispatch to The Journal.)

Seattle, Wash., Jan. 5.—On the season just closed the Seattle baseball club has lost $10,000. The expenses of the club will approximate $45,000, while the receipts reached but $35,000. The club in the last three years has lost its backers $40,000. The club made money on the games played in Tacoma, Seattle and Portland, but dropped it in California.

The payroll amounted to $25,000 for the season or a little more than $3,100 a month. Last June $660 was spent for telegrams in hustling players.

Another Hazing Trial.

(Journal Special Service.)

Annapolis, Md., Jan. 5.—Marsconi of Florida was placed on trial by a court-martial today, accused of hazing Midshipman Roberts of Illinois.

FUNERAL NOTICES.

OREGON Circle, No. 171, Women of Woodcraft.—Officers and members are requested to attend the funeral of Neighbor Lottie Winton, from the residence, 910 Kerby street, Saturday, January 6, at 12 o'clock.

EVA MASSON, G. N., pro tem.
Attest: MARY RANDALL, Clerk.

How to Exercise the Bowels

Your intestines are lined inside with millions of little suckers, that draw the Nutrition out of food as it passes them.

But, if the food passes too slowly, it decays before it gets through. Then the little suckers draw Poison from it instead of Nutrition.

This Poison makes a Gas that injures your system more than the food should have nourished it.

You see, the food is Nourishment or Poison, just according to how long it stays in transit.

The usual remedy for this delayed passage (called Constipation) is to take a big dose of Castor Oil.

This merely make slippery the passage for unloading the current cargo.

It does not help the Cause of delay a jrifle.

It does slacken the Bowel-Muscles more than ever, and thus weakens them for their next task.

Another remedy is to take a strong Cathartic, like Salts, Calomel, Jalap, Phosphate of Sodium, Aperient Water, or any of these mixed.

What does the Cathartic do?

It merely flushes out the Bowels with a waste of Digestive Juice, set flowing into the Intestines through the tiny suckers.

* * *

But, the Digestive Juice we waste in doing this today is needed for tomorrow's natural Digestion. We cannot afford to lose it.

That's why Cascarets are the only safe medicine for the bowels.

They do not waste any precious fluid of the Bowels, as Cathartics do.

They do not relax the intestines by greasing them inside like Castor Oil or Glycerine.

They simply stimulate the Bowel Muscles to do their work naturally, comfortably, and nutritiously.

And, the Exercise these Bowel Muscles are thus forced to take, makes them stronger for the future, just as Exercise makes your arm stronger.

Cascarets are as safe to use constantly as they are pleasant to take.

They are purposely put up like candy, so you must eat them slowly and let them go down gradually with the saliva, which is in itself, a fine, natural Digestive.

They are put up purposely in thin, flat, round-cornered Enamel boxes, so they can be carried in a man's vest pocket, or in a woman's purse, all the time, without bulk or trouble.

Price 10c a box at all druggists.

Be very careful to get the genuine, made only by the Sterling Remedy Company and never sold in bulk. Every tablet stamped "CCC."

* * *

IF FREE TO OUR FRIENDS!

We want to send to our friends a beautiful Picture-Booklet, OUR PLAYTIME BOOK, hand-stamped in colors. It is a beauty for the drawing table. We send it free in exchange for a wrapper from any box and to cover cost of postage, with which this liberal offer is loaded. Write Postal Today. Mentioning this paper. Address Sterling Remedy Company, Chicago or New York.

Skidmore's January Sale

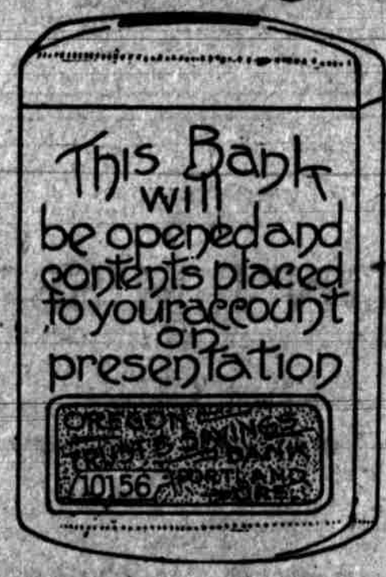
WITH SOUVENIR

5,000 SOUVENIR PITCHERS to be given away during our January Sales. We will give as long as they last a handsomely decorated Cream Pitcher to each purchaser of 50c or more of any article in our store, except Patent Medicines. These Pitchers are as choice as any ware you can buy, and are without advertising marks of any kind. Special discounts, ranging from 40 to 20 per cent on the following lines. Hand Mirrors, Leather Goods, Knives and Scissors, Stationery, Chest Protectors, Surgical Supplies, Drugs and Household Supplies.

S. G. SKIDMORE & CO.

Pioneer Druggists 151 THIRD STREET

Nickel Plated Pocket Savings Bank



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25 Cents Cash Additional

To Subscribers of The Journal

All you have to do is to show you are a subscriber of The Journal, by producing a Journal receipt or otherwise, and sign a receipt for the bank upon the delivery of the pocket savings bank to you. Thereupon you take the bank to THE OREGON TRUST & SAVINGS BANK, in the Marquam Building, and by depositing $1 or more in this bank you are given an extra 25 cents, which is added to your account. This is all done for you just to encourage you to open an account in this institution and thus start you upon the road to wealth. Every person, man, woman, boy or girl, is privileged to take advantage of this proposition. The banks can be obtained from The Journal business office or through Journal canvassers in the city.

THE JOURNAL

PHONE MAIN 500. PORTLAND, OREGON.

A Top Coat For $20

Just now we will make you up a nobby Top Coat from a splendidly woven gray or tan covert cloth for from $20 to $30.

These prices are Twelve Dollars under the usual figure.

The fabrics are newly arrived from the mill. They are a fine, close weave and lend themselves gracefully to a good fit and good tailoring.

Columbia Woolen Mills Co. Tailors

ELEV. 82ND, TYE & STARK.