

WITHIN LETTER OF INSURANCE LAW

Queer Transactions Defended as Legal and Profitable by New York Life Official.

NEW YORK LIFE PAID

MORGAN \$4,000,000.

One Transaction Gave Morgan a Rake-Off of \$80,000 at the Expense of the Company—Testimony Discloses That the Company Never Made an Unprofitable Investment, According to Its Officers—President Paul Morton Addresses 750 Agents of the Equitable Life, Explaining His System of Retrenchment, Which Saves \$600,000 Cash Annually.

New York, Sept. 12.—At the resumption of the insurance inquiry this morning Frederick H. Shipman, assistant treasurer for the New York Life was called to the stand and questioned as to syndicate operations.

He reiterated in today's testimony that of Randolph, which covered transactions in railroad bonds, and particularly acknowledged it held \$1,000,000 of Burlington bonds made jointly with the W. S. Fanchot company, not for investment, but profit. Shipman said such purchases were for the purpose of reselling common.

Living Up to Letter of the Law.

New York, Sept. 12.—Selling \$800,000 in bonds one day and buying back the next except one, a holiday intervening, in order to keep within statements made in the New York Life Insurance company's report to the superintendent of insurance, was the sensational disclosure made today at the session of the legislative insurance investigating committee. The fact was drawn from Edmund Randolph, treasurer of the New York Life, late in the day after Attorney Charles E. Hughes of counsel to the committee had labored for more than an hour to get a direct answer from Mr. Randolph to a direct question.

Earlier in the day Mr. Randolph had handed Mr. Hughes a schedule of syndicate underwriting and transactions of the New York Life for the last 10 years. This statement was to show and a footnote to the schedule so stated that the company had participated in no syndicate transactions that had been closed out with a loss. Among these syndicate transactions was the underwriting of the navigation syndicate, or International Mercantile Marine.

Mr. Hughes drew from the witness that there was an aggregate of \$4,000,000 the New York Life paid J. P. Morgan & Co. on this "joint account."

Following the navigation syndicate transaction Mr. Hughes referred to an item on the schedule of syndicate transactions under the date of December 30, 1904, by which \$800,000 of bonds were sold to J. P. Morgan & Co. of London for \$720,000. Mr. Randolph admitted that this was an outright sale and the loss of \$80,000 was charged off to the profit and loss account. Mr. Hughes left the point and took up an association known as "Nylc" with the New York Life Insurance. He got from the witness the admission that on April 11, 1904, a sale of \$50,000 stock to "Nylc" was made.

Economy Is Order of the Day.

New York, Sept. 12.—President Paul Morton outlined the policy of the new management of the Equitable Life Assurance society in an address which he delivered at Manhattan Beach today to 750 agents of the society who came from different parts of the country. After briefly reviewing recent events in the Equitable, Mr. Morton said:

"I am going to say a few words to you on your new administration. There will be an attempt to make it dazlingly brilliant. The effort will be to make it honest, courageous and conservative. There will be the greatest consideration for the policy holders and at every turn their interests will be protected. All of the new directors are policy holders. Businesslike methods will prevail. The more economy of the right sort we can institute the more we can save to the policy holders. Investments will be of the highest character.

"The institution will not be run as an adjunct to any one or several banking houses. Every owner of securities will have a chance to deal with us, and our aim will be to buy the very best at the lowest prices. I believe in proper laws safeguarding the sacred trusts of insurance and I will co-operate in the enactment of any necessary laws with that end in view.

"Retrenchments are the order of the day in the Equitable. They will amount to \$600,000 per year which is equal to four per cent on an investment of \$15,000,000."

More Earthquakes in Italy. Rome, Sept. 12.—Three earthquake shocks at Cozena this morning.

JESSE JAMES IS ROBBED.

Son of Famous Bandit Loses Contents of His Cash Tilt.

Kansas City, Sept. 12.—While seeking a loan on a suit case in the pawnshop of Jesse James, son of the famous bandit, a man took advantage of the clerk's absence and robbed the cash drawer of \$100. The thief has not yet been found by the police. James says he knows the thief, but refuses to say more concerning his identity than that he is a bartender out of work.

The robbery was committed when no other customers were in the shop. The man with the suit case asked to borrow \$1. The clerk stepped behind the partition to write the ticket. While his back was turned the customer reached across the counter and softly opened the money drawer beneath, and took out a roll of bills. The drawer was closed and the money concealed when the clerk returned.

James has been running a pawnshop since shortly after his acquittal for participation in the Leeds train robbery six years ago.

Antony Must Hang.

Sacramento, Sept. 12.—Governor Pardee has set a date for execution of Miguel Antony, convicted of murder in San Bernardino county, September 29. Antony was confined in Napa insane asylum for three months, and recovering his reason, must now hang.

New Cases of Cholera.

Bromberg, Sept. 12.—Four new cases of cholera in three places in this district. Vice Chancellor Count Von Posadowsky Wehner, touring the infected district of Allay, is suffering.

SHEEP KILLING GANG BROKEN UP

MADE POSSIBLE BY THE NERVE OF A DETECTIVE.

Single-Handed He Secured the Evidence Necessary for a Conviction, and Single-Handed He Made the Arrests of Five "Bad Men" in the Interior, Three of Whom Have Been Landed in the Penitentiary, While Two Have Escaped—Selkirk the Detective, Will Get \$1000 Reward From the O. W. A.

The Portland Daily Telegram tells as follows of the breaking up of a sheep killing gang in Wheeler county.

The discovery, capture and conviction of the Edmondson family, father and two sons, who for years have maintained an outlaw stronghold in Wheeler county, from whence they have raided ranches throughout the county, slaughtered sheep and stealing stock at will, is a remarkable story.

Single-handed, a fearless, resolute man, who is known to the ranchmen of Wheeler county as Jesse Selkirk, but who in reality is said to be a San Francisco detective, arrested the Edmondsons and secured their conviction. Yesterday they were removed from the county jail at Fossil to Salem, where they will do penal servitude for three years, the maximum sentence for sheep-killing.

Selkirk captured two other members of the gang, one of whom, Arch McKay, is said to have been the leader and the most desperate of the five. McKay broke jail at Fossil, and evading the pursuing posse, made his escape from the state. The other man broke jail at Prineville and was not recaptured.

The story of the deadly raids on sheep ranches in Wheeler county is an old one. For more than three years the ranchmen have been preyed upon by a cold-blooded enemy, and frequently when a roundup failed to account for many missing sheep they were found after tedious searching, piled in secluded gulches, where they had been shot by the ranchmen's enemy. Oftentimes as many as 300 sheep were found killed in a single spot. Numbers of horses and cattle were also stolen and never accounted for.

About a month ago Bob Edmondson went into the woods alone and failed to return. Little thinking his brother had been marched to jail at the point of Selkirk's gun, Jim, the other brother, accompanied Selkirk to a secluded spot, where he met his brother's fate. A few days later McKay and another man, who had made the Edmondson home their stronghold, and who had been leaders of the band, found themselves confronted by Selkirk's Winchester, and they too, were taken to jail.

When trials came at Fossil last week, Selkirk plainly proved many crimes to have been committed by this band of desperadoes, notably the slaughter of Tom Fitzgerald's sheep. In sentencing them, the judge stated that they should get 30 years, instead of the maximum of three years provided under the law.

Selkirk got the \$1000 reward offered by the Oregon Woolgrowers' association, and at their meeting tomorrow they will levy an assessment to raise this amount. He is still living in Wheeler county, keeping his eyes open for further violations of the law.

ROOM FOR DISAGREEMENTS AS TO MEANING OF TREATY

Occupation of 100 Miles of Railway is in Dispute, and it is Undetermined as to Russian Consular Privileges.

Baron Komura is ill in New York With Typhoid and Inflammation of the Gall Bladder—Anti-Treaty Rioting Continues in Different Portions of Japan—Theory is Gaining Ground That the Destruction of the Mikasa Was Accomplished by a Japanese Fanatic Who Did the Deed as a Variation of the Doctrine of Har-Ka Ri in Preference to the Acknowledgment of Defeat—Witte Sails for Europe, First Expressing Thanks to Roosevelt and the American People.

Codyyadainin! Manchuria, Sept. 12.—The peace terms became known here today. The majority consider them inoffensive to Russian honor and dignity. It is not clear at what station the railroad will be turned over to the Japanese, at Kwang Cheng Tse or Chantufu. This question is very important.

If the transfer occurs at Kwang Cheng Tse, then Russia cedes to Japan 100 miles of yet unoccupied line, and likewise the only coal mines south of Harbin. From Chantufu start all the trade routes to the very rich Kirin province, and should the road become the property of the Japanese at Kwang Cheng Tse, the complete possession of Chantufu would place Kirin province entirely under Japanese influence. This would be undesirable for Russia.

Should the transfer be made at Chantufu or further south, Kirin province, which has supported the Russian army for six months, would remain Russian, which would be particularly advantageous because the southern portion of the railroad has no natural outlet.

This and many other questions, such as the Russians' right to maintain consular officials or commercial agents at Liao Yang, Mukden, Port Arthur and Port Dainy, should, it is claimed here, be settled before the armies withdraw from their strategic positions.

A high officer declared today that it would be impolitic to permit the Japanese to settle in Kwang Cheng Tse, for in case of another war they could reach Harbin in 36 hours, occupy Kirin and cut Russia off from the Amur regions.

It was announced from Portsmouth, August 30, that the formal recognition of Japanese possession of the Chinese Eastern railway between Kwang Cheng Tse and Port Arthur involves the payment by Russia to China of a sum estimated at \$75,000,000. This is the Chinese interest in the road, and for it China must be remunerated.

The question of the ultimate possession of the road is a matter to be settled between Japan and China. Japan can keep the road or surrender it to China, demanding in return the money paid by Russia to China. If she elects the latter course, Japan will, therefore, obtain as an indirect "spoils of war" from Russia the \$75,000,000, in addition to reimbursement of the cost of maintaining the Russian prisoners of war.

Komura Is Very Ill.

New York, Sept. 12.—Baron Komura, Japanese peace envoy, who is ill at the Waldorf-Astoria, is somewhat improved today, but is still confined to his bed, and members of his suite said he is too weak and nervous to be shown the report from Rome that his family is assassinated. Sato and other members of the Japanese mission, consider the report entirely unfounded.

Has Typhoid Fever.

Later—Baron Komura is very ill at the Waldorf-Astoria. Dr. Francis Delafield was called from his vacation in Virginia to attend. He says Komura has the first stages of typhoid fever.

BANKRUPTCY PROCEEDINGS ARE COMING

The Pendleton Woolen mill is to be thrown into bankruptcy, if a suit which is being brought by one of the creditors of the company is successful. For some time past it has been known that the affairs of the mill company were in bad shape, owing to heavy indebtedness, but the news of the present proceedings will be a surprise to many. Bankruptcy is not voluntarily sought by the company itself, but is asked for by H. C. Judd & Root, who have a claim of \$1500 against the concern. Papers in the case have been prepared by Col. J. H. Raley as attorney for the above creditor company, and they will be sent at once to the federal court in Portland. However, as there is no regular judge on the bench in this district now, it is not known when the matter will be taken up at that place.

It is said that the bankruptcy proceedings are being taken with a view to securing an equitable settlement of the various creditors of the mill and that the mill will probably be sold and the proceeds divided pro rata.

been so impressed upon me that 'the pen is mightier than the sword.'"

Witte Expressed Gratitude.

Oyster Bay, Sept. 12.—The president has received the following from Witte:

"Before leaving the United States I beg, in my own name, and on behalf of my fellow workers, to offer our hearty thanks to you, to your government, to the whole nation, for the cordial welcome upon our arrival, and uniform courtesy during our sojourn, the memory of which will live in our hearts forever."

THREE POSSES ARE OUT.

Chasing Men Who Robbed the Custer, S. D., Bank.

Custer, S. D., Sept. 12.—Three posses are chasing outlaws, who, on Saturday night robbed the bank at this place of a large amount of gold. Reports have come in that a big battle has been fought in the Black Hills between posses and robbers.

After the robbery the outlaws, of whom there were three, started towards the Big Horn mountains. Poses from Deadwood, Custer and Hill City were soon in pursuit. A courier returned this morning after having ridden all night. He reported that the bandits had got into the fastnesses of the Black Hills and had ambushed their pursuers in the canyon. An exchange of shots resulted in two horses being killed and one member of the posse being injured. The bandits continued their flight.

Another report this afternoon says that the bandits were overtaken further west early this morning and in a pitched battle one bandit and a deputy were killed and several wounded.

SLIGHT WRECK AT BARNHART

TRACK UNDER WATER AND GRADE WAS WATER SOAKED.

Engine Gilded the Track and Pulled the Tender and Mail Car After It—Only the Excessive Slow Speed Prevented a Disastrous Wreck—Wrecking Crew From Pendleton Pulled the Train Back Onto the Track, Losing Twelve Hours Time—Much Gravel and Dirt Was Washed Onto the Track West.

As a result of a slight wreck at Barnhart station, No. 2, last evening's eastbound passenger, due here at 5:30, did not arrive until 7 o'clock this morning. The trouble is said to have occurred just as the train was pulling out of Barnhart. The track was under water as a result of the heavy rain, and the train was moving slowly. Suddenly the big mogul engine left the track, pulling with it the tender and the mail car before the throttle could be reversed and the train brought to a stop. Had the train been going at a good rate of speed, it is said a serious accident would have occurred. As it was, there was no one injured, and the only consequence was loss of time.

Immediately after the derailment news of the wreck was wired to Pendleton, and a crew was sent down to repair the damage. Some delay was experienced by the wrecking train in reaching the scene because of dirt and gravel having been washed upon the track. When they did reach the place, it required an all night's labor to replace the engine and cars upon the track and to repair the latter.

This morning a tired and hungry lot of passengers occupied the chair cars of the train when it pulled into Pendleton.

HIGHEST BRIDGE IN THE WORLD Bridge on the Cape to Cairo Railroad in Africa.

Victoria Falls, East Africa, Sept. 12.—The bridge over the Zambesi river was formally opened yesterday in the presence of visiting members of the British association. Professor Darwin, in his opening speech, commented upon the remarkable achievement which permitted a party traveling in electric lighted saloon cars to visit the place which heroic explorers spent months of fruitless endeavor to reach. The bridge over the Zambesi river, the highest in the world, was linked April 1 of the present year, the completed link in the Cape to Cairo railway. The bridge is 420 feet above the river at low water and crosses over the gorge at Victoria Falls.

WILL NOT ANTICIPATE.

Chicago, Sept. 12.—William J. Bryan, who will speak here tonight, says he cannot talk about the platform of 1908 because the platform cannot be written so far in advance.

He says he will not forget politics abroad, but write editorials, and learn new things to apply to the situation in this country. He expects to be in active politics for 25 years.

Cholera in Berlin.

Berlin, Sept. 12.—Fifteen new cases of cholera have developed, with four deaths.

GROWING FAITH IN THE PROJECT

Increasing Confidence That the N. P. Will Build to Portland Down the North Side

LOCAL PHASES DEVELOP

TO ADD TO THE INTEREST.

The New Line Would Afford a Second Route for Passenger and Freight Traffic From Umatilla County to Portland, With a Reduction of Rates as a Natural Consequence—Would Also Result in Great Improvement of Service and Schedules on the W. & C. R. Branch—O. R. & N. Suspected of Already Instituting Check-mating Measures in This Vicinity.

Considerable local interest is being taken in the news that the Northern Pacific is preparing to build down the north bank of the Columbia from Wailula to Portland in order to better compete with the O. R. & N. into that city. While so many stories of the same tenor have been told in the past that people have become skeptical of the move ever being carried out by the N. P., yet the present movements of that company show that they are evidently in earnest in the matter, and many are now expecting active work to be undertaken soon.

Should the long discussed plan be at last carried out and the Northern Pacific have a line down the river into Portland, it is held that the result would be highly beneficial to Pendleton and this portion of Oregon. In speaking of the matter this morning one well known citizen who is informed on industrial matters, declared that it would simply mean that we would have connection with two trans-continental lines direct out of Portland, and that a reduction in rates would undoubtedly result. While the Northern Pacific now meets the O. R. & N. freight rates to this place, bringing the freight around by the Sound, it is held that it would be in a position to do much better than at present in the event of a line down the Columbia. Should the proposed line be constructed it is held to be inevitable that the W. & C. R. would be improved both in its freight and passenger service, so as to handle the business between this place and Portland.

With one trans-continental line running through this place with close connections with another, and with a boat service on the upper Columbia, this place will certainly be well provided with transportation facilities, and as a result may some day be able to establish a wholesale business, at least in certain lines.

Was Visit Significant?

Since the recent news of the struggle that is now being waged between the N. P. and the O. R. & N. companies over the right of way down the Columbia, the visit of Dr. Shuman of Portland to this place is recalled. About a week ago the above gentleman arrived here in company with Dave Herrin of Heppner, coming from the Morrow county coal fields, and he is said to have gone over the route between here and Cold Springs station. What the object of his trip was is not known, but there are some who believe that possibly it had some bearing upon the plans of the O. R. & N. to forestall the N. P. in its present design.

EVENTS AT OYSTER BAY.

Wheels in His Head on the Coal Trust Question.

Oyster Bay, Sept. 12.—Isaac Schamas, who says he is an agent for a coal firm, was arrested this afternoon trying to see the president. He said he came to ask the president to appoint a commission to fix the price of coal throughout the world. He charges the press with an unholy alliance with the coal dealers to keep the price high. He is held for observation.

YELLOW FEVER DATA.

New Cases and Deaths in Several Localities.

Jackson, Miss., Sept. 12.—Four new cases of yellow fever here. Ham-burgtown is quarantined.

Fourteen New Cases at New Orleans. New Orleans, Sept. 12.—At noon 14 new cases and two deaths were reported here.

CHICAGO WHEAT MARKET.

Quotations From the Greatest Wheat Market in the United States. Chicago, Sept. 12.—Wheat opened and closed 82; corn, 52 1/2-5; oats, 26 1/2-2.

New Theatrical Circuit.

Cleveland, Sept. 12.—John W. Considine, of Seattle, and other theatrical managers, signed today to arrange a circuit of 50 to 60 theaters in the country. Two and a half million dollars will be invested.