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ASHEVILLE, N. C., MONDAY AFTERNOON, DECEMBER 9, 1912

PRICE THREE CENTS

Alleged Embezzler, Now in Oklahoma, Indicates That He Will Fight With Hope of Vindication.

GRAND JURY ACTION A SURPRISE TO HIM

So He Says, but District Attorney Thinks Otherwise -Details of Accusations in Bill of In-Indictment.

FTER the east and west edition of The Gazette-News was print-ed Saturday the federal grand jury at Greensboro returned an indictment charging John H. Carter with embezziement from the American National bank of Asheville of approximately \$100,000. A brief statement of the facts appeared in the south and city editions. Following is an account in detail:

GAZETTE-NEWS BUREAU, DAILY NEWS BUILDING, Greensboro, Dec. 9.

In the bili against Mr. Carter there 54 separate and distinct counts, which in substance allege the misap-plication of the bank's funds, false entries upon the books of the bank to cover these misapplications, false reparts to the comptroller of the currency, overdrawal of his personal account to the extent of approximately \$10,000, and payment of drafts drawn by companies in which he was inter-ested, and for which no funds were on deposit at the bank of which he was The story, as told by the bill of indictment, makes the inference by repeated specific counts that Carter, as president of the bank, attempted to organize and finance other

It is asserted that since discovery of Mr. Carter's shortage at Asheville and his resignation as president of the bank he has paid back to its di-rectors approximately \$40,000 of the alleged \$100,000 which he misappro-The indictment had been pected for some time by those familiar with the case, it being understood that a delay in the beginning of prosecution was sanctioned by the bank direcfrom the public announcement of Car-ter's alleged misappropriation of its

Bank in Good Shape. The alleged misapplications and de-falcations occurred during a period of cally named as from December 1909, to the latter part of August, 1910. In September, 1910, Carter resigned the presidency of the bank and succeeded by L. L. Jenkins of Castonia, who is now president and under whose management it is said the bank fully recouped its losses by reason of Carter's defalcations and misapplications. It is a matter of common knowledge that the stock-holders of the bank, which was capitalized at \$300,000, were assessed 40 per cent upon their stock at the time of the discovery in order that the bank of his family to recover about \$500,-might not be forced to close its doors. 300 alleged proceeds of the Savannah It is further admitted that Carter was harbor frauds of 1897 has been settled not immediately indicted because of a for \$125,000. desire to save the bank and to prevent. The decree unrasiness or loss for the depositors. by U. S. Judge Ray at Norwich yes. The bank is now declared to be abso-terday. Colonel Gaynor did not conlutely safe and Carter's indictment was brought at this time because the statute of limitations would have applied in his case within a few months from this date, in some of the counts as early as December 27.

To Be Tried at Asheville. After the indictment had been presented in open court Judge Boyd sign ed an order directing the removal of the case to Asheville for trial. The next regular term of the United States District court for Asheville will con-vene in May, 1913, and it is more than probable that Carter will be placed on trial at that time. trial at that time.

against Colonel Gaynor, Benjamin Greene and Captain Oberlin M. Car-In substance the extended bill of ter, claimed to have traced \$428,000 in securities alleged to have been taken from the government through the Savannah contracts.

Of the \$436,000, all but the \$125,000 paid in settlement is declared to be the property of the defendants and indictment brought charges in 21 separate and specific counts that Carter, while president of the American National bank, deliberately, willfully and wrongfully misapplied the funds of the bank by drawing exchange drafts on the correspondents of the Asheville bank in New York and Baltimore, these exchange drafts being made payis secured against further action by the government. Judge Ray's decree gives the government the right to proceed against any new assets which able to Carter. It is charged that he put no funds in the Asheville bank to ecure these drafts and that they were covered from the directors of the bank by false entries. The other counts charge false entries with a hope of covering misapplications, false reports to the comptroller of the currency with regard to the bank's condition. Miss Condon, Whose Biscuit "Serve as Joke" Broke Guest's Teeth with regard to the bank's condition, overdrawal of his individual account, one specific instance of a \$500c check and another of a \$2500 check being cited, whereas, it is alleged, his personal account at the time was largely overdrawn. The data upon which these counts were drawn by the district attorney was furnished by A. E. Laidart, special accountant of the government, who spent several months in investigating the affairs of the bank and in the examination of its books.

Planted Big Banks.

John H. Carter mishi well have been described as a captain of finance, certainly so during the period of his direction of the Ashaville bank. He was an organisar in every sense of the (Continued on page 3.)

SAYS FOES THWART MONEY TRUST HUNT

Chairman Pujo, in Statement Outlining Purpose of Committee, Alleges Attempt to Discredit It Through False Press Reports-Asks Addi-

tional Powers.

By Associated Press. Washington, Dec. 9.-The house money trust investigation committee got down to work today after a recess of several months. The program for the next few days includes the calling as witnesses of several New York bankers, among them Jacob H. Schiff, and some representatives of the New York stock exchange. When the committee began the

hearing of the money trust investiga-tion today Chairman Pujo made the following statement.:

"In resuming this inquiry the committee feels that the many unauthormisleading and inspired reports ized, misleading and inspired reports that have been circulated concerning its work and plans should be correct-ed and that the public should be warned against placing any credence in them. There has ben a consistent hostile effort in certain directions to embarrass the inquiry. No state-ments have been or will be made or authorized on behalf of the committee at any time except such as may be openly announced at the hearing.

"At no time, has there ever been any friction, misunderstanding or difference either among the members or with or between counsel. The utmost harmony has prevailed from the beginning and the reports to the con-trary have been sheer fabrications Nor is there any authority for the per-sistent published report as to proposed remedies or legislation. The question has never been before the committee and it would be premature to consider

it. The committee is not yet in posession of the facts on which to base a judgment. It has barely reached the threshold of the inquiry so that any opinion as to its action is decided-ly premature to say the least.

"Attention is called to the an-nouncement made at the outset of the hearings last May and since frequently repeated that the terms of the resoution under which the committee is acting cannot be fully carried out ufless or until congress shall have en-acted the bill that has passed the house and is now pending in the sen-ate, removing all existing doubt as to interests by the unlawful use of the into the part, if any, that is played by bank's funds. centration and control of money and

"Meantime the committee will press memberships mostly made up nquiry with the view of submitting in intermediate report accompanied by such recommendations as may be leemed wise.

"The postponement over the presi-cential campaign was taken pursuant

Relatives of Man Accused in

Savannah Harbor Fraud

Make Payment

John F. Gaynor and other members

The decree in the case was signed

Marion Erwin, special assistant to

the United States attorney general, and Edward I. Johnson, an expert ac-

countant who worked on the case from the time indictments were found

SUES HER HOSTESS

Faces Damage Action.

By Associated Press,
Paterson, N. J., Dec. 5 — There is
no one who has a keener sense of
humor than I, but I fall to see the

GAYNOR SUIT SETTLED

to the frequently announced determi-nation that this important investigation should not be subject to the criti-cism or suspicion of being in any way influenced by or connected with politi-

cal exigencies. First Witness Examined, first witness was William M. The Cloud, president of the State Bank of Maryland. Samuel Untermyer couns for the committee, took up his exami-

Mr. Cloud said his bank had applied for clearing house prescribe rules which prohibits a bank making its own price for exchange on out-of-town checks?" asked Mr. Untermyer. "Yes, it amounts to that," answered

Mr. Cloud.
"But that is throttling competition,

it is not?"
"Well, I would not say throttling,"

said the witness.

A general defense of the clearing house system of banking, and a de-cided stand against government regulation of clearing houses, were made by Waldo Necomber, manager of the Baltimore clearing house.

The committee took up the clearing house situation in Baltimore, resentatives of two banks which had been refused conditional membership in the association appeared. Manage Newcomer explained that the banks were not admitted because, as condi-tional members, they would not be bound by the rules of the association as to out-of-town check exchange charges and to other rates, and would be in a position to compete at an advantage with the other members of citaion bound by the rules.

Says Congressmen are Influenced. In a prolonged discussion with Sam-uel Untermyer, counsel for the committee, Mr. Newcomer declared that clearing houses throughout the country were beneficial institutions and that any attempt at government regulation would hamper their efforts.

Each senator and representative would be called upon to file a statement showing the pecuniary interest of himself or family in any banking, ate, removing all existing doubt as to loaning or brokerage business, under a the power of the committee to inquire resolution introduced today by Representative Lindbergh of Minnesota.

The resolution says the senate com-

mittee on finance and the house com mittee on banking and currency have forward with the other heads of the bankers and banker's lawyers and inquiry with the view of submitting controlled by those directly, personally and financially interested in that class of legislation," and "to a greater orless extent many other senators and representatives are similarly inter-

BIBLE NOT DIVINE

Mrs. Laura Fixe Skeptical Because All the Stellar Roles are Given

By Associated Press. Chicago, Dec. 9.—A woman cannot e a conscientious Christian and a uffragist also because of man's monopoly of the Bible and religion, said Mrs. Laura Fixe, business manager of the Working Women's home, last

night, before the woman's party here. We cannot accept the Bible as By Associated Press.

Syracuse, N. Y., Dec. 9.—The suit the male sex in everything almost to of the United States against Colonel the exclusion of the female," she conthe male sex in everything almost to

> "Man has usurped almost everything in religion as well as everything eise.

"In the Bible that we know God is represented as a man, Christ as a Carolina Farmers' union, which will man, the apostles as men, and the angels in heaven as men and in it women are commanded to obey their hustribute to the settlement, and, according to government attorneys, is bands. Suffragists cannot accept the practically without funds. William T. Gaynor and Edward H. Gaynor, bands bear that it was written by brothers of the colonel, Annie Gaynor, his sister, and Miss Katherine chattels. The position given women a candidate for re-election, and it is for the settlement, the last named rights as the equals of men. The intendent of the chatters are time when women were their lenburg county, the president, will be a candidate for re-election, and it is said that Prof. C. C. Wright, superrights as the equals of men. The Bible needs revision. It is not up to paying more than three-fourths of the date,"

Ginners' Report Shows Activity.

By Associated Press.
Washington, Dec. 9.—With a total of 11,844,432 bales of cotton of the growth of 1912 ginned to December 1, activity in the cotton belt during the period from November 14 to December 1, was greater this year than it was last year, when the country's greatest cotton crop was being pre-pared for market. This year the gin nings per working day for the period amounted to 102,985 bales, compared with 100,238 bales last year,

Mauretania Safe.

By Associated Press.

New York, Dec. 9.—No confirma-tion of the published rumors of an ac-cident to the Mauretania has been ob-

cained here or at Queenstown.

On the contrary the vessel reported by wireless at a distance of 260 miles west of Browhead at 11:30 last night and no mention was made in the des-patch of an accident of any kind. The Mauretania sailed "all well" at 10:55

humor than I, but I fall to see the joke in having a hostess serve dog biscuits to a guest. I was deeply humiliated before the other guests, to say nothing of breaking one of my teeth and dislodging the gold fillings in the two others, all of which has since cost me \$15."

This is Miss Helen Wenton's explanation of a suit for damages which she has just brought against Miss Harriet Condon.

The description of the suit of th the has just brought against Miss Hardat Condon.

The latter says the whole incident
thas a loke, although she regrets "that lies Weston's teeth were disturbed."

Jell.

COMMISSION WINS IN SUPREME COURT MAKING PLANS

By Associated Press.

M'Combs, Clark, Underwood and Democratic Senators Confer Regarding Politics and Legis-

TARIFF HEARINGS START IN JANUARY

lation.

Views as to Program to Ways and Means Committee.

Washington, Dec. 9.—Chairman REPUBLICAN SPEAKERS
McCombs of the democratic national committee put in a busy day in Wash ington conferring with Charles D. Hil-ies, secretary to the president, Speaker Clark, Democratic Leader Underwood other democrat leaders in the house and with several democratic senators

Chairman McCombs had a private luncheon with Mr. Hilles. They dis-cussed several questions, particularly the organization of the White House Mr. Hilles has been Mr. Taft's secretary about two years and is familiar with many questions, among them those of precedent, which will face President-elect Wilson when he enters the White House.

The conference was the basis for a report that Mr. McCombs would come to Washington with the new president in an official position. Some of Mr. McCombs' friends said, however, that while he had been offered a place in the new administration he had not decided whether he would accept it.

Discuss Tariff Work.

Democratic members of the house ways and means committee had their irst general conference today to discuss plans for the tariff work to precede the extra session next spring. Chairman Underwood outlined his

own views as to what should be done between now and March 4 and submitted plans for hearings and for pre liminary work on the proposed tariff revision bill. Hearings probably will be started early in January, if the suggestions of a majority of the demorats on the committee are followed. While interests affected by tariff

changes will be given the opportunity to appear, the hearings will not be extended so as to interfere with early preparations of tariff bills

SAYS SUFFRAGETTE STATE FARMERS' UNION TO CONVENE TOMORROW

Eight Hundred to 1000 Dele gates and Visitors Are Expected in Raleigh for the Event

Special to The Gazette-News.
Raleigh, Dec. 9,—Special.—Between 800 and 1,000 delegates and visitors are expected here this week for the annual meeting of the North assembly Tuesday afternoon and con tinue through Thursday, Many pro-gressive steps will be considered and

Wilkes county, may enter the race. The opening exercises will be public. Governor Kitchin will be among those to welcome the delegates to Raieigh. Coroner Charles A. Separk started

an investigation of the death of an unknown white man, whose partly decomposed body was found Caraleigh Saturday evening near Caraleigh Saturday evening with two pistol holes in it. The only clue to the man's identification was the ranklin county, Virginame of "John Hoggans" found in a Collector R. F. Henry. coat. It is supposed that he was a laborer employed in rallway con-

The Supreme court will this week take up appeals from the Sixteenth and last district and then adjourn for the holidays. The spring term Minnie Marchman, the young woman will open in February when another who died at her home here recently of young lawyers will be re-

slow progress in their investigations of liquor selling in Raleigh, even though the adtestificandum has been resorted to. Most men when called up before the police justice have poor memories from the time the dispensary was voted out until the present time and a number of them say they have quit drinking. What the police are puzzled about is the fact that so much liquor is sold here. One place is said to be a regular barroom.

Brothers Asphyxiated

By Associated Press
Fall River, Mass., Dec. 9.—Two
prother, Louis and Peter Pazo, both
middle aged bachelors were asphyxated in their apartments here last
alight when a sas fixture became loosand. Peter had planned to leave tolay for a long trip abroad.

Commerce Court's Decision Is Over-Ruled in interstate commerce until they had

Washington, Dec. 9 .- Jurisdiction of filed tariffs with the commission It also asked to have the contract over the Union Stock Yards and Tran-sit company of Chicago was today upheld by the Supreme court, which sus-Chicago Junction Railway company tained the commission's right to bring was engaged in interstate commerce suit to have the company's contract and so required it to file tariffs, but to pay \$59,000 to Pfaelzer & Sons, dismissed the action as to the other packers, for creating a plant adjacent companies.

Chicago Stock Yard Business Held to Be Interstate Com-

merce and Under Control of Federal Body-

to its track annuled as amounting to Justice Day in announcing the Su preme court's opinion said that the On the theory that Chicago stock yard business was interstate com- that the Union stock yard and Tran Majority Leader Outlines His merce, the interstate commerce com- from the operation of the federal merce court to enjoin the Union Stock law, by leasing its property to the Yard and Transit company, the Chicago Junction Railway company,
which operates the transit company,
and the Chicago Junction railways cand United States Stock Yard company, which holds the stock of the
joining the carrying out of the Pfaciother two companies from engaging zer contract.

other two companies, from engaging zer contract.

Early in 1913 Active Work for Re-habilitation of Party Will Begin.

By Associated Press.

New York, Dec. 9.—The Republican Speakers' league of the United States, with Senator Ellhu Root and other prominent republicans at its head, will begin work early in 1913 on an active propaganda for the rehabilitation of the republican party and the election of a republican president in 1916. The league held its first meeting here yes terday.

A committee of nine submitted constitution and officers were elected

o serve for four years.
The organization has a thousand members and is composed of the men and women who stumped for the various republican national, state and county committees during the recent ampaign.

BIG GUN BURSTS

No Casualties When Muzzle of 11-Inch Weapon Is Shattered at Sandy Hook.

By Associated Press.
Sandy Hook, N. J., Dec. 9.—A new 14-inch gun burst today while being tested at the Sandy Hook proving grounds. The muzzle of the gun was blown 100 yards. No one was hurt. Attaches at the proving grounds the explosion declined to discuss pending an official investigation. It was considered remarkable that no one was hurt, for there were more than a dozen men near the great gun when it blew up

CONTRACTOR KILLED

L. Hunnicutt of Chatt Down by Freight Train at Greenville, S. C.

(By Associated Press) Greenville, S. C., Dec. 9.—J. L. Hunnicutt of Chattanooga, Tenn., sen-lor member of the railroad contract-ing firm of the same name, was instantly killed by a freight train of the Southern railway here today. The accident accurred in an under pass being built by the Piedmont and North ern Interurban road one mile outside the city.

STILL SEIZED

Revenue Men Have aptured 1 Since Saturday in This State and Virvinia.

The men under Internal Revenue Agent R. B. Sams have been doing them. some rather good work during the The past few days, reports of the seizure of 10 illicit distilleries throughout the district having been received since Saturday. The raids lately have not the community a few months ago. One usually resulted in getting a number of plants at one time, but the reports of single seizures have been coming in regularly almost every day and the record for the month promises be a big one.

Among the seizures reported since

Saturday are: one in Jackson county by Deputy Collector Pool; one in Franklin county, Virginia, by Deputy Collector J. M. Davis; and seven in Franklin county, Virginia, by Deputy

Shot by Girl Relative.

By Associated Press,
Ashburn, Ga., Dec. 9.—Tun Bleshorn, who was a close friend of Miss after having been in convulsions for The police officials are making the street here last night.

W. F. Cochran, brother-in-law of the dead girl and who was prominent in the investigation of the girl's mys-terious death, was arrested charged with the shooting. He was later released on bond.

Recommends Change.

By Associated Press.

LEAGUE IS ORGANIZED BATTLESHIPS COST MORE UNDER EIGHTHOUR LAW

Naval Constructors Estimate Is Advance of \$38 a Ton -Progress Rapid.

By Assocuted Press. Washington, Dec. 9 .- While the ef-

ect of the eight-hour law on naval mined, the annual report of R. M. Watt, chief constructor of the United States navy, shows that the applica-tion of the new law has increased the cost of hattleship construction by \$38 a ton. The three battleships, Texas, Nevada and Oklahoma, now under contract are being built under the eight hour law. The cost per ton displacement of these three battleships is \$215 per ton, while the cost of battle-ships built when the hours of work were unrestricted was \$177 per ton. The United States last year again led the world in rapidity of construction Notwithstanding the recent marked increase in the size of battleships, mays the chief constructor, "the time required for construction remains practically unchanged and the rapidity of construction in the United States both for battleships and destroyers recently completed without restriction as to hours of labor cont ones greater than

principal foreign shipbuilding-coun-The bureau's losses in its clerical force through resignations and transtrative work conducted under than when greater permanence of em-

the average rate of construction in the

EAGLES CAPTURED

oklahoma Farmers Think They Car ried Away Infant—Lambs and Pigs Kiled.

By Associated Press.
King Fisher, Okla., Dec. 3.—Four big golden-headed eagles were brought here today by farmers who captured them and killed a fifth in the Gip hills, northwest of here. The farmers said a flock of seven of the birds had their aeries in the hills and have been carrying off small stock in such numbers that they organized to exterminate

The birds have taken away lambs and pigs and some of the residents assert that the engles instead of gypsies carried away an infant child from of the captive birds measures nearly eight feet from tip to tip of its out- SEVERE STORM HITS spread wings.

Ginners' Report Shows Activity.

Washington, Dec. 9.—With a total of 11.844,432 bales of cotton of the growth of 1912 ginned to December 1, activity in the cotton belt during the period from November 14 to December 1, was greater this year than Roads, where a number of vesselit was last year, when the country's dragged anchor, but none was damgreatest cotton crop was being pre-pared for market. This year the ginnings per working day for the period amounted to 102,985 bales, compared with 100,238 bales last year.

Harvester Hearing Delayed.

St. Paul, Minn., Dec. 9.—Owing to the non-arrival until today of some of the attorneys, the local hearing in the government's suit again the In-ternational Harvester company will not begin until late this afternoon. Witnesses to be examined here will come from Minnesota, Wisconsin, North Dakota, South Dakota, Nebraska and Missouri.

Alaskan Eearthquake Recorded.

States Senator George E. Chamberlain of Oregon, a member of the senate special committee which has been investigating the national soldiers home at Sawtelle, said here yesterday that he would recommend that the control of the institution be taken from the New York commission now governing it and placed in the hands of the war department. Senator Chamberlain is control to this home in Oregon.

By Associated Press.

Washington, Dec. 9.—An earth-quake shock, insting 23 minutes and apparently 1800 miles distant from Washington in a northwesterly direction, was recorded on the seismograph at Georgetown university between 2:14 and 4:07 o'clock this morning. The tremors were of considerable severity and ware continuous. It is thought that cruptions of the Amskan colors may have broken out again.

Democrats to Oppose Confirmation of Taft's Judicial and Postoffice Appointments in Dixie.

WON'T MAKE FIGHT IN NORTHERN STATES

Commerce court had erred in holding Where Republicans Control, Judiciary Committee Don't Purpose Interference.

> By Associated Press. Washington, Dec. 9,-President Taft's judicial appointments now before congress were considered today by the senate judiciary committee. No formal action was taken but republican members of the committee received definite information that the democrats in the senate probably would try to hold up many appointments of

> judges and United States attorneys in

southern states, so that the appoint-

ments would fall to President Wilson after March 4. The lines of the democratic fight against appointments became closer today. It is understood the democrats intend to permit the confirmation of many appointments in northern states where republican strength controls, but to prevent affirmative action on judicial, postoffice and customs divis-ion appointments in many parts of the south.

VARDAMAN'S COMMENT ON BLEASE'S SPEECH

Close Akin to that Expressed by South Carolinian

Jackson, Miss., Dec. 9.—Declaring that if one of his immediate relatives had been a victim he might have "gone to extremes which would have shocked civilization to punish the United States William K. Vardaman, former governor of Mississippi, last night mented on the mob law speech dellycred by Governor Cole L. Blease of South Carolina before the recent gov-

erners' conference at Richmond,
"Thousands of good law-loving,
home-building, God-fearing white home-building, God-fearing men, both in the north and in south, down deep in their hearts har-bor a feeling toward the black rapist, trative work conducted under such conditions of frequent change is necessarily less efficient and less economical sarily le protect the black despoiler of the white man's home. And yet I felt, when doing it that if one of my loved ones had been the victim, that I would have gone to extremes that would have shocked civilization to have punished

the brute. "A splendid opportunity was lost by the governors of the southern states in the Richmond conference," Sena-tor-elect Vardaman added, "to teach the uninformed nation the truth re-garding the condition existing in the south, which condition made it pos-sible for Governor Blease to make the extraordinary speech accredited to him. Instead of commenting on and condemning the ebulition of temper manifested on the part of the South Carolina executive, It would have been better to have brushed aside his intemperate utterances with pression of depreciation, if they felt like it, and then proceeded to explain to American people the reason.'

THE EASTERN COAST

By Associated Press.
Norfolk, Va., Dec. 9.—A severe northwest storm struck the coast here today. The wind reached t maximum at Capt Henry of 52 miles an hour and 48 miles an hour in Hampton aged.

Archach Guilty of Murder,

By Associated Press.

Baldwin, Mich., Dec. 5.—A jury in the circuit court yesterday declared O. M. Arebach guilty of first degree murder for the shooting of his partner, Harry Fisher, a Chicago business man. Fisher was killed in the woods near here last September while the two men were on a hunting trip.

Fisher's life was insured for about

Fisher's life was insured for about 500,000, the policies being made payable to his wit. It was the theory of the prosecution that friendship between Arebach and Mrs. Pisher was the motive.

Hobbed of \$30,000.