

Double the Number of Paid Subscribers in Raleigh of any Other Newspaper

MR. POU MAKES REPLY; MR. BROWN'S ANSWER

Emphasizes Points Made in First Letter With Reference to Position of Policyholders in Case of Merger

WILL MEET IN CITY LATE THIS AFTERNOON

Will Discuss Plans of Merger and Action They Will Take in Case Companies Consolidate—Mr. Pou Comes Forward With Spirited Reply to Answer of President Brown Saturday Night With Regard to Merger—Stockholders to Meet Saturday at Noon—Representatives of Stockholders and Policyholders to Have Hearing Tomorrow Before Commissioner Young—The Latest Developments in Insurance Merger.

Mr. James H. Pou, a policyholder in the Jefferson Standard, today added another chapter to the controversy over the merger of the Raleigh concern with the Greensboro Life, when he made public his answer to the letter of President Brown, made public Saturday night. In his letter today Mr. Pou wants to know if the Jefferson Standard, in case a merger is effected, will return to policyholders the amount of money paid out, plus interest, if such a demand were made, and asks still other questions.

It was announced today that representatives of the stockholders and policyholders will meet tomorrow with Insurance Commissioner Young to discuss the plans of the merger. The policyholders will meet this afternoon at 4:30 in the rooms of the chamber of commerce and the stockholders will meet Saturday at noon. Mr. Pou's letter and all matters growing out of the proposed merger are given below:

Mr. Pou's Letter.
Raleigh, N. C., May 13, 1912.
Hon. Joseph G. Brown, President, Jefferson Standard Life Insurance Company, Raleigh, N. C.

Dear Sir:—I received your letter of the 11th yesterday, Sunday, and I hasten to reply.

I notice in the second paragraph of your letter that you assure me that it is not the "disposition" on the part of the stockholders to do, or permit to be done, anything that will in the least impair the security of the policyholders. I italicize certain words in that paragraph. Would you understand the withdrawal of a large part of the money that is now up for the security of the policyholders as in the least impairing their security? If there was a note in your bank amply secured by collateral, and the borrower would come to you and ask you to allow him to take down part of the collateral, would you consider that impairing your security? As I understand it the ten or twelve million dollars of policies in your company are now secured:

1. By the legal reserve, which the law requires your company to keep.
2. By five hundred thousand dollars (\$500,000) of capital and surplus paid in and now intact.
3. By the stock liability of your stockholders similar to the liability upon stockholders in a bank.

The Margin of Safety.
At present there is at least a 20

THE MEXICAN REBELS CONTINUE TO RETREAT

Conejos, Mexico, May 13.—Burning bridges behind them, the Mexican rebels continued their retreat before the federal army of Gen. Huerta, victorious in the last three days fighting. Five bridges, spanning the wide arroyos were destroyed by insurgents, causing delay to federal troop trains. No fighting is expected today. Both sides were occupied with their dead and wounded from yesterday's engagement. The rebels, it is believed, lost six hundred in killed and wounded.

Wyoming Convention.
Cheyenne, Wyo., May 13.—Republican and democratic state conventions convened here today, each to select six delegates to the national conventions. Taft men claim control of the republican convention. The majority of the delegates to the democratic convention are favorable to Clark. The Wilson adherents will fight for an instructed delegation.

per cent. margin of safety to the policyholders of the Jefferson Standard. Now tell me how much of this is to be taken down. I understand that in the consolidation of the two companies it is proposed to join the policyholders of the two companies and then put behind these policies less capital and surplus than is now behind the policies of the Jefferson Standard alone. Is this correct? I understand that in the proposed consolidation twenty-two million dollars of policies are to be combined and kept in force, but that a large part of the surplus which now secures these policies in their respective companies is to be taken down, passed around the policyholders and paid to the stockholders. Is this correct; and, if so, how much in dollars and cents is to be taken down, and to whom will it be paid? And what will be put in the place of this good money so that the security to the policyholders of the Jefferson Standard will not in the least be impaired?

"Proper."
I notice from your letter that the insurance commissioner, commissioner, attorney general and the actualities have assured you that a "proper consolidation will insure the benefit of the policyholders of both companies." I agree with that statement most heartily; but the key word in that statement is the word "proper." I would not consider, nor do I believe the insurance commissioner or attorney general will consider, any consolidation proper which increases the amount of liabilities and diminishes the margin of safety. Have these gentlemen agreed to any such proposition? If they have, I shall be greatly surprised.

The Capital.
I notice that the committee of stockholders will recommend for the new or consolidated company a capital of not less than the present capital of the Jefferson Standard, which I understand is two hundred and fifty thousand dollars (\$250,000), with a paid in surplus of two hundred and fifty thousand dollars (\$250,000). I ask you if it is not proposed in the new company to put behind the policies of both companies to be consolidated only three hundred and fifty thousand dollars (\$350,000) of capital and surplus; whereas there is now up as security for the policyholders of both companies at least six hundred thousand dollars (\$600,000)? Please give me a definite and succinct answer to this.

The Meeting.
Next I notice that you invite the policyholders to meet with the stockholders of the Jefferson Standard Life Insurance Company on Saturday, May 18, 1912, at 12 o'clock. I thank you for this invitation; and if you will assure me that the meeting is for the consideration of the consolidation, and not merely to ratify a "cut and dried" scheme, and that your company will genuinely consider our objections to it, I, and many other policyholders will gladly avail ourselves of the invitation and attend the meeting. Our only condition of attendance will be full freedom of speech and frankness of conversation. We would not care to waste the time to enter a formal protest, which your company will say it will consider, and which it will, after we have retired, dismiss without further consideration. Please advise me whether you will see us on these terms or not.

Should Be Open.
I also note that you say that there is absolutely nothing in the proposed consolidation to be kept from the public. I certainly agree with you in this statement; and I will go further and say that there is nothing which can, or will be, kept from the public. The proposed consolidation is a matter of too much importance to thousands of people to be consummated in a back room or behind closed doors. It must, and shall be done in public, if done at all.

We will have a conference of a number of the policyholders in person, and a great number by proxy, this afternoon at 4:30 o'clock in the rooms of the chamber of commerce. If you can give us information upon the following points by that time, it may simplify matters very much and may obviate the necessity of litigation. I will explain these matters and will then formulate the questions, which I would suggest that you consider and answer by that time, if you can.

Is It Lawful?
It seems that the consolidation. (Continued on Page Two.)



EMPERESS OF JAPAN.

The International Red Cross Conference was treated to a pleasant surprise when the Japanese delegation announced a gift from the emperor of the Land of the Rising Sun of \$50,000 "for the encouragement of relief work in the time of peace."

NORFOLK SOUTHERN TRAIN IN WRECK

Norfolk, Va., May 13.—Norfolk Southern train, known as the "Newbern Flyer," was wrecked half a mile south of Hickory Ground yesterday afternoon, while en route to Norfolk. Twenty people were slightly hurt.

The wreck was caused by the rear truck on the mail coach leaving the rails, causing the three rear coaches to turn over. The track was torn up for a hundred yards. The accident occurred at 3:18 o'clock.

The following statements were issued by officials of the road:

"Train, consisting of mail car, two coaches and parlor car, in charge of Conductor Ferabee and Engineer Fields, was derailed and turned over, the coaches turned completely on side, parlor car partly over, rear truck of mail car derailed, about one-half mile south of Hickory Ground, Va."

The injured were brought to this city on a special train and sent to St. Vincent's hospital. Most of them were discharged last night and all of them will leave the hospital tonight. It is stated.

Among the injured was W. A. Graham, Jr. of Richmond, a son of Major W. A. Graham, of Raleigh. His injury is not serious.

TAFT BEGINS SECOND SPEAKING TOUR OF OHIO

Marietta, Ohio, May 13.—With his fighting blood up, President Taft began his one thousand miles speaking making tour around Ohio. The trip will cover practically every corner of the state and end a few hours before the polls open for the voters to register their preferences for president May 21.

REBELS DEFEATED Government Forces in Paraguay Win Victory

Buenos Aires, Argentina, May 13.—Official advices from Asuncion confirm the victory on May tenth of government troops over a large revolutionary force under the command of former President Alvin Jara. Jara was wounded. The rebels lost many killed. Five hundred rebels were taken prisoners by Jara. All artillery and one thousand rifles belonging to the rebels were captured.

CONVENTION IMPORTANT

Eyes of Nation Will Watch Republicans Here Wednesday

The republican state convention, which will be called to order in the auditorium Wednesday at noon, will attract more attention than any former republican convention in this state has ever done. The North Carolina republicans may decide the question of the republican nomination for president. There is no doubt that the Tar heels are lined up solidly behind Colonel Roosevelt and the fight will be made for or against instructed delegates. Chairman John M. Morehead will call the convention to order.

Another matter of great interest will be the election of a national committeeman. Hon. E. C. Duncan of Raleigh now holds that honor, but the Morehead-Dixie faction will, it is understood, endeavor to replace him with ex-Senator Marion Butler. A state chairman will also be elected.

The usual number of contests will develop, including that from Wake county over the matter of who is the real chairman of the county executive committee, both Mr. Lester F. Butler and Mr. W. J. Andrews claiming the honor. Committees appointed by the chamber of commerce to look after the comforts of the delegates and visitors have been active getting everything in readiness in time for the convention.

UNVEILING OF STATUE State to Do Honor to Charles Duncan McIver

On Wednesday at noon Raleigh and the great assemblage of people from all over the state, who will be here for the day, will see unveiled the statue of Charles Duncan McIver, which for several months has stood shrouded in cloth just within the capital square at the head of Fayetteville street. It is a beautiful site and one of prominence, where already it has been observed by hundreds of visitors. But few have asked why it was erected. "Every school child and every citizen in North Carolina knows the story and many have had a part in the erection of this statue to the great educator, even if only the contribution of a penny."

Because Charles Duncan McIver belonged to the state of North Carolina, the event will be attended by exercises reaching in interest from the mountains to the sea coast. From the State Normal School will come a host of young women to join in a chorus of the song he loved the best, "The Old North State." The High School students will pay their tribute of gratitude and respect in the nation's hymn, "America."

An occasion which calls together such men, who will pay their tribute in words of oratory, as Rt. Rev. Robert Strange, bishop of the diocese of Eastern Carolina; Dr. C. Alphonso Smith, of the University of Virginia; His Excellency Hon. W. W. Kitchin, governor of North Carolina; President J. I. Foust, State Normal and Industrial College; Hon. J. Y. Joyner, state superintendent of public instruction; and President Henry Jerome Stockard, of Peace Institute, is necessarily an event of deepest interest to a whole state.

The statue will be unveiled by Dr. McIver's daughter, Miss Lula Martin McIver.

- Program.**
- 1.—Music.
 - 2.—Invocation—By Rt. Rev. Robert Strange.
 - 3.—Address—By Dr. C. Alphonso Smith, University of Virginia.
 - 4.—Song—"America," by Raleigh School Children and College Students.
 - 5.—Poem—By Henry Jerome Stockard.
 - 6.—Address—By President J. I. Foust, State Normal and Industrial College.
 - 7.—Presentation of Statue to the State—By J. Y. Joyner, chairman of the committee.
 - 8.—Acceptance of Statue for the State—By His Excellency, Hon. W. W. Kitchin, governor of North Carolina.
 - 9.—Unveiling—By Lula Martin McIver.
 - 10.—Song—"The Old North State"—By Students of State Normal and Industrial College.

A man is never more anxious to take his wife on a trip than when she doesn't want to go.



DUKE OF SUTHERLAND.

Who has just arrived in New York, one of the most prominent of the exodus of British nobles who are forsaking their native heath and migrating to Canada, where they expect to rebuild their fortunes of their ancestors by developing extensive farm lands in the southwestern part of the Dominion.

COMMENCEMENT AT ST. MARY'S SCHOOL

The twentieth annual commencement of St. Mary's school will be held May 26-28. This will be a shortening of the commencement week by two days, as it has long been the custom to extend through Thursday. The laudatory sermon will be preached in the chapel Sunday morning, May 26, by Rev. R. T. Alsop, D. D., of Brooklyn, N. Y. On Tuesday the commencement address will be made by Dean Graham, of the University of North Carolina.

The following is the commencement program:

Saturday, May 25, 10 a. m., Reception, "Taming the Shrew."

Sunday, May 26, 11 a. m., Sermon, Rev. R. T. Alsop, D. D., Brooklyn, N. Y.; 2 p. m., Altitude service in the chapel.

Monday, May 27, 11 a. m., Class Day; 2 p. m., Art exhibit; 4:30 p. m., Altitude meeting; 8:30 p. m., Concert; 9:30 p. m., Rector's reception.

Tuesday, May 28, 11 a. m., graduating exercises in auditorium, address by Dean Graham of University of North Carolina. (Continued exercises in the chapel.)

SAW GIANT ICEBERG

Thousand Feet Long and 150 Feet High.
New York, May 13.—A giant iceberg one thousand feet long and one hundred and fifty feet high, fifteen miles away, glimmering and flashing brilliantly in the sunlight was sighted by passengers of the steamer George Washington, reaching here today. The berg was estimated to be one hundred and fifty miles south of where the Titanic went down.

FAVORABLE REPORT FOR SINGLE TERM

Washington, May 13.—The senate judiciary committee decided to report favorably the Works resolution restricting the presidential tenure of office to a single term of six years. The minority report favoring a single term of six years will be made from the committee. The reports are expected in a day or two.

SOCIALIST CONVENTION Now in Session—Will Choose Presidential Candidates Friday

Indianapolis, May 13.—After erecting a platform and appointing resolutions committees the socialist national convention began the consideration of the reports of special committees, including that upon the campaign for votes of women in the ballot. Candidates for president and vice president will be chosen Friday.

PLOT AGAINST MR. ARCHBALD

Plans Were Laid to Entrap Him in Discreditable Transaction

Washington, May 13.—A purported deliberate plan of W. J. Boland, the Scranton coal dealer who originated the charges against Judge Robert W. Archbald, of the commerce court, to entrap the jurist in an embarrassing transaction, was revealed before the house judiciary committee investigating the case to determine whether impeachment proceedings shall be instituted by the senate.

Allan Cockrell, confidential secretary of the interstate commerce commission, read to the committee his memorandum of Boland's original statement of the charges against Archbald. Boland, according to the memorandum, told Interstate Commerce Commissioner Meyer, he purposefully sought to entrap Archbald in the Kalydid culm bank transaction, after the denurrer in the suit against his coal company was decided against him in Archbald's court. Boland declared he sent E. J. Williams to Archbald to lure him into the Kalydid culm option deal with the Erie Railroad after Williams came to him with Archbald's \$500 note for discount. Boland refused to discount the note and subsequently his denurrer was decided against him. In making charges Boland immediately, according to Cockrell, used Williams in an effort to involve the judge in a discreditable transaction.

WOODMEN ORGANIZE

To Have New Camp at Scotland Neck Soon.

Scotland Neck, May 13.—District Deputy A. O. Kirk, of Ahoskie, was here several days the past week in the interest of the Woodmen of the World in an effort to organize a local lodge. He secured the required number of applications for membership and at a meeting Friday evening, the following officers were elected, pending a permanent organization upon receipt of a charter, which has been applied for: Consul, Commander, Stanley B. Houghton; Adviser, Lieutenant, J. W. Austin; Clerk, W. B. Strickland, Jr.; Banker, Chas. N. Malone, Esq.; J. W. Hatcher, Watchman, T. J. Willford. Mr. Kirk says he expects the charter within a few weeks, when he will come back and perfect a permanent organization.

RICHESON BEARING UP WELL

Report of Aliens Expected to be in Governor's Hands by Wednesday.

Boston, Mass., May 13.—"Richeson is standing up well under the alienist appeal," said Attorney Morse, leaving the jail after a call upon the man condemned to the next week for murdering Avis Linnell.

Morse said he expects the reports probably will be in the governor's hands before the regular council meeting Wednesday. Sheriff Quinn announced Richeson would not be removed to the state prison chamber to await death until after the council meeting Wednesday.

STRIKERS RIOT AT BALTIMORE

Baltimore, May 13.—Pistols were used and stones thrown in a riot, the outbreak of the strikers' strike for wage increase and union recognition. The trouble followed the strike-breakers' attempt to start to work. The strike-breakers were taken across the harbor under police escort. None were seriously hurt.

Ed. Callahan Buried

Jackson, Ky., May 13.—Escorted by a hundred armed clansmen the body of Ed. Callahan, fencible, recently shot from ambush, was buried this afternoon at Crooksville. The mountaineers' temper indicates a reopening of the Callahan-Beaton feud.

Better Conditions in Flood Districts

New Orleans, May 13.—Encouraging reports were received from the flood districts, army engineers assert that unless there are more serious rain storms they hope to hold the remaining levees.

No Taxes for Indians

Washington, May 13.—Many million dollars in taxes were lost by Oklahoma, by the supreme court decision that the state cannot tax the land allotted to about eight thousand less than half-blood Indians.

Safe Blowers Get \$2000

St. Louis, May 13.—Safe blowers, using nitro glycerine, wrecked Clayton postoffice and escaped with loot valued at a couple of hundred dollars.

INSTRUCTION CAMP READY

Officers of North Carolina National Guard Gather Here For Course of Training

WILL LIVE IN TENTS

Will Be Drilled in New Regulations of United States Army and Carried Through Course of Training and Lectures Calculated to Help Guard—Army Officers Here— Camp Opened Up Today—Nearly 150 Officers to Be Here—Fair Weather in Prospect.

With ideal weather in prospect, the camp of instruction for officers of the North Carolina National Guard, to be conducted near the fair grounds this week, should prove of inestimable benefit to the leaders of the state's military forces. Five regular army officers are on hand to give instructions and 150 guard officers will be drilled in the new army regulations.

The van guard of the officers arrived in the city today and by tomorrow all will be occupying tents in the grove. Instruction began today. The course includes all the details of an army camp, such as sanitation, drills, target practice and so on.

The officers of the First, Second and Third Regiments will be organized into three provisional companies; and from reveille until the close of the drill period at 9:15 a. m., they will live the strict military life of a cadet. During this time each officer will be taught to perfect himself in the commands of the new infantry drill regulations. Officers will not only be drilled, but will be required to drill others under the direct supervision of the regular instructors. The drill will be practical, and will culminate in a field firing problem on Friday. In this problem each company will have about 20 rounds of ball cartridges per officer, and will advance over the local target range firing at concealed silhouette figures which will appear and disappear at the command of the directors who will have direct telephonic directions with all the pits.

Map Reading

The balance of each morning will be devoted to instruction in company administration and to special instruction in the making and reading of military maps. Major W. W. Poiree of the state engineer department has just completed an excellent topographical map which will be used in this class. Each evening during the camp will be devoted to a "tactical walk." Here the officers will again be divided into regiments. Each regiment will be assigned to a certain road, not over two miles in length. Each will have a regular instructor who will furnish the situations which in war would be developed by the enemy. As each situation is stated an officer or officers will be required to give his decision on the ground.

On Friday evening the whole brigade will be together, under command of Brig. Gen. B. S. Royster. It will march as per instructions contained in a march order issued from brigade headquarters. Various situations will be given which will require the issue of an attack order by the brigade commander, and the disposition of troops for the attack.

Lectures

During the camp there will be de- (Continued on Page Five.)

PACKING CONDITIONS SOMETHING AWFUL

Washington, May 13.—Describing as "something awful," his two-year observations of packing house conditions in Philadelphia, J. W. Burroughs, a former federal meat inspector, told the Mess investigating committee in his investigations he observed lard containing worms, scrapple made of bad meat, and revolting sanitary conditions. Burroughs supported the Nelson resolution for an investigation of the meat inspection service. Burroughs declared the Philadelphia packers violated the law by refusing the inspectors access to certain parts of the plants.

Suit Against the Steel Trust

New York, May 13.—Daniel G. Reid, a railroad financier, and director in the United States Steel Corporation appeared as a witness before the hearing in the governmental suit to dissolve the corporation.