

CASHIER TELLS HOW PRESIDENT OF CHICAGO BANK STOLE MILLION.

Cashier Got Suspicious of the Many Notes Which are Now Believed to be Forgeries.

Stensland Told Him He Would Have it Fixed All Right, but Skipped.

Grand Jury Will Inquire Into the Negligence of the Directors of the Bank.

Chicago, Aug. 12.—The Tribune today says:

Henry W. Hering, cashier of the Milwaukee Avenue State Bank, looted by Paul O. Stensland of over one million dollars, is in Chicago. He has not been out of Chicago since Monday morning. Hering says he will give himself up at one o'clock to-day and is absolutely confident that he can show to the satisfaction of everyone concerned that he had no part in robbing the 22,000 depositors of the wrecked institution.

From 9 o'clock until 11 o'clock last night a reporter and the cashier sat on a bench in one of the city's parks. In these two hours Mr. Hering told the story of his connection with the bank from the time of his employment 17 years ago, until he closed his safe last Saturday.

Mr. Hering is insistent in his statement that he had absolutely nothing whatever to do with any peculation of the bank's funds. He swears he has not ties brought to light. He asserts that although cashier of the bank he was merely a clerk for Stensland; that all he did was to carry out Stensland's orders.

He declares that Stensland's instructions were such that there was no way on their face of determining that any crooked business was going on; it was only the culmination of a number of suspicious incidents and the piling of note upon note to carry on Stensland's real estate operations that finally made him morally certain that the bank was a mere tool for Stensland's use.

Hering is a heavy set, middle-aged man with a good square, honest face, with gray unliking eyes that look you through and through. Last night he had the repose and calmness of an innocent man and the story he told was every superficial evidence of being thorough. While defending himself with the utmost vigor he made no wild accusations against Stensland; he simply told what he said was a plain, unvarnished statement of the rise of Stensland and his downfall, brought about by a mania for real estate investments.

Hering swears he has no knowledge of just how and when the notes said to be forgeries, were signed by Stensland. "As a matter of fact," said he, "at this moment I do not know they are forgeries. The signatures were good enough to deceive me."

"Stensland would come to my desk and say to me: 'Please make out a certain number of notes (the number of which he would give me) for the amount.' I then made out the notes and handed them to him or sent them to him in the regular routine of business. Later, generally the next day, they were returned to me duly signed by various people or at least they had the alleged signatures of various people."

"Mr. Stensland then ordered me to place them to the credit of his personal account and would then draw checks on

his personal account for the various enterprises which dragged him to ruin."

"About five weeks ago I determined to say something to Mr. Stensland. I walked into his office and said: 'Now, Mr. Stensland, you know this indebtedness—'

"'Were you not more specific as to this indebtedness?'

"'He knew what I meant, for I handed him a paper containing a number of notes footing up \$53,000, which I have reason to believe should not be among the assets of the bank.'

"'This indebtedness is getting too large,' I continued, 'and it should be fixed up in some other way, or the bank will be in trouble.'

"'He sat for a moment and then said: 'Yes, I know, but I have every reason to believe I will have it all fixed up shortly. I think I have a buyer from Belmont avenue and River property; I am almost certain of finding a purchaser for the Schultz property (which is right across from the bank), and if I can make a deal with Watson and get possession of the whole of the Paul O. Stensland subdivision I can sell it in a lump. Don't worry, it will all be taken care of.'

"'A moment later he said: 'I have also had an offer for my Elwood cemetery stock, but I don't think it is enough and will sell it for a better price.'

"This talk with Hering evidently was the thing that led Stensland to make up his mind to skip. The next evening he spent a lot of time in the directors' room and in his own private office, looking at the door so that he could not be interrupted.

"He worked not only during the day time but late at night. He evidently was casting up the amount he had stolen and preparing the document which was found in his safety deposit box last Sunday. In the letter which his son received, and which brought on the crash, he stated that in the memorandum in the box would be found a record of his indebtedness to the bank, footing up \$530,000, and also a statement by Cashier Hering of a further indebtedness of \$530,000, which, to quote the letter, 'Hering says I owe the bank.'

"Mr. Hering admitted last evening that he had made out this statement, and that it was the one submitted by him to his chief five weeks ago, when he made a demand on Stensland to fix matters up."

May Prosecute Directors.

Chicago, Aug. 12.—Evidence which may lead to the prosecution of the directors for responsibility for President Stensland's defection, was among the general developments yesterday touching the alleged Milwaukee Avenue State Bank.

It is asserted that they neglected to enforce even ordinary precautions, such as would have made impossible Stensland's operations. A fictitious paper, Stensland never was required to account for the vast amounts of money which apparently was being borrowed by small tradesmen in the neighborhood, and by small depositors in the bank.

The responsibility of the directors will be at least the subject of investigation. It is expected that the evidence will be laid before State's Attorney Healey as soon as Receiver Felzer and Bank Examiner Jones can complete their report.

and had clipped off his queue, which fell to his heels.

When Lom joined the reform movement he renounced Chinese cooking and became a vegetarian, with a particular longing for watermelons. So strong was this yearning that he would consume one or two at a single sitting.

One night he sauntered forth to buy the biggest melon he could find. In a grocery he found it on ice and brought it home. Every bit of the melon, close to the rind, disappeared. Then Lom lay down to sleep.

Lom was awakened soon after midnight by cramps and ran to the Chinese hospital, where a doctor labored with him, but to no effect, and in a few hours Lom fulfilled the prophecies of his old-school compatriots. He was 51 years old.

UNCLE SAM'S MUTINY.

UNITED STATES NAVY IS QUITE UP TO DATE.

Sold Clothes and Bought Beer, Got Drunk and Cut Throats—Punishment Comes Quickly and Will Be Severe.

Philadelphia, Pa., Aug. 13.—It became known to-day that five marines are in double irons on board the receiving ship Lancaster at the League Island navy yard, and ten sailors are under arrest as the result of a mutiny on Monday night, in which two of the mutineers were badly injured.

A boating party of six privates left the navy yard and went to Gloucester, where it is alleged they sold their uniforms. With the money thus obtained two half barrels of beer were purchased. They smuggled into camp and soon about a score became intoxicated.

While in this condition the men attempted to leave the yard, and when halted attacked the corporal. The alarm was sounded and a general fight ensued, during which several shots were fired. Private Burnett, one of the ringleaders, had his throat cut and Private Keny's right arm was fractured. After nearly an hour of fighting the mutineers were subdued and the principals placed under arrest.

Yesterday Captain Miller of the Lancaster ordered Burnett and Keny court-martialed. The trial was quick and all though the findings were not made known, it is said that sentences varying from one to five years in the naval prison at Chelsea, Mass., will be the outcome.

WAS MISMANAGEMENT.

REPORT OF COMMISSION ON BOER WAR SCANDALS.

The Losses Were About \$5,000,000—Several Officers and Public Servants Severely Criticized—Non-Coms. Accepted Bribes.

London, Aug. 13.—The War Office has issued the report of the Royal Commission which was appointed to investigate the South African War stores scandals. While the report acquits the British commissioned officers concerned of the worst charges of corruption, it finds that the losses, amounting about \$5,000,000, were due rather to grave mismanagement and incompetence than to fraud.

The commission criticizes severely several officers and public servants, and charges a number of non-commissioned officers with receiving bribes. It declares the errors were due to deplorable and complete want of coordination, and the divorce of interests between the different departments of the War Office.

The Army Service Corps is declared to have been utterly wanting in business training and experience.

"COWBOY JACK."

SOME RECENT WORK OF MEMBERS OF MOUNTED POLICE.

A Bumptious New Yorker With His Revolver Brought Down—Fierce Battle With "Cowboy Jack."

Ottawa, Aug. 13.—The Northwest Mounted Police, who have so far proved equal to every emergency which has arisen, are now engaged in taming some lawless characters that have crossed from the other side of the line. A couple of illustrations will show how they go about the work. At Estevan, Sergeant Lett went to arrest G. W. Harris, of New York State, for drunkenness and disorderly conduct. Harris shouted: "I'll show you you can't arrest me," and at the same time made a pass for his hip.

Lett grabbed the man and threw him bodily upon the platform, and took from him a 38-calibre bulldog revolver, loaded in all six chambers. Harris was fined \$50 and costs or ninety days, and the revolver was confiscated.

The other case involved the arrest of Charles Monaghan, alias "Cowboy Jack," at North Portal. In this operation Corporal Hogg showed great coolness and courage, and he was recommended for a gratuity by Commissioner Perry.

Monaghan had the reputation of being a bad man on the United States' side and was wanted in Canada for carrying a gun and threatening to use it. Some of his sportive practices were to hold up bar-rooms, ride down anyone who crossed his path, and generally terrorize the community. A short time ago he nearly burned off his head and back also came in contact with the hot sides of the furnace and was badly blistered. He will live, however.

ghan to escape the pretence of giving back the money he had previously taken, and then escorted him to the door.

The door was locked, and two cowboy friends of Monaghan's endeavored to batter it down. Monaghan, seeing that he was trapped, rushed for Hogg, and the result kind of a fight followed, during which the two combatants rolled through the broken door down into the yard. When Monaghan's friends saw them emerge covered with blood they ran off. Another man who was passing obtained handcuffs for Hogg, and he secured the prisoner. Two sentences of six months' hard labor, to run concurrently, were imposed on Monaghan.

This is the terse way in which the Government report summarizes the Home-coming combat: "During the arrest of Monaghan, the following Government property was damaged: Door broken, screen smashed up, chair broken, field jacket belonging to Corporal Hogg spoiled, being covered with blood, and the wall bespattered with blood."

Monaghan's friends threatened to raid North Portal Jail with their Winchester before the prisoner's removal to Regina, but did not carry out their purpose.

U. S. AGENTS SHOOT JAPS.

KILLING OF JAPANESE FISHERMEN IN ALEUTIAN ISLANDS.

A Delicate Situation—Distorted Stories May Create Tempest in Japan—Raiders Had Killed Two Hundred Valuable Seals.

Washington, Aug. 13.—There is no reason to expect international complications as a result of the incident to-day reported to Washington, in which five Japanese were killed, but there is no question that the situation in the Aleutian Islands, especially as it affects the Japanese, is a delicate one, and that numerous difficulties are almost certain to be encountered in enforcing the laws protecting American citizens and their rights.

Acting Secretary of State Bacon has sent to Ambassador Wright, at Tokio, the substance of the despatch received by the Department of Commerce and Labor from Solicitor Sims at Sitka, Alaska, regarding the killing of Japanese fishermen on St. Paul Island.

Five Japanese were shot and killed on the island of St. Paul, of the Pribilof group by order of the agent of the Department of Commerce and Labor on July 17, as the result of a raid by four Japanese sealers on the seal rookery. The revenue cutter McCulloch reached here to-day from St. Paul with twelve prisoners, two seriously wounded, who were turned over to Deputy-Marshal Hartman.

"The raiders were discovered lying near Northeast Point, St. Paul, by native lookouts of the North American Commercial Company, which leases the seal privileges from the Government. Word was telephoned from the patrol station near the rookery for which the raiders were aiming, and the special agent, Lemptke, of the Department of Commerce, on duty in the Pribilof Islands, arrived on the spot as the Japanese reached the shore. He ordered the boat crew to surrender, which they did.

On climbing the promontory at the end of the cape overlooking one of the larger rookeries, a schooner was seen close in shore. Looking straight down the cliff, the patrol saw a dozen or more Japanese skinning a great number of seals which had been slaughtered indiscriminately. The raiders refused to surrender when Lemptke reached the scene, and tried to make off with their booty in small boats, several of which were drawn up on shore. The agent then ordered his guard of natives to open fire. The Japanese offered no resistance, being without firearms. Three of the raiders fell dead on the beach, a fourth was seen to be thrown overboard from one of the boats that escaped, and a fifth body drifted ashore later in another boat.

The men had killed more than 200 seals, many of them cows. Those who escaped carried away about 120 skins.

BEHEADED BY TRAIN.

Victim Meets Awful Fate While on Track at Detroit.

Detroit, Aug. 13.—In attempting to get out of the way of a Grand Trunk passenger train known as the Belt Line plug, while on her way to her work in the Williams pickle factory about 6.45 Thursday morning, a young woman believed to be Miss Victoria Mrosovsk, aged 20, of 174 Anneton street, stumbled and fell to instant death under the wheels near the Grand Trunk crossing at Warren avenue. The unfortunate woman's head was severed and the brain scattered along the track.

The girl had almost reached her destination when she noticed the approach of the passenger train. She stepped aside quickly and avoided the engine, but in doing so she stumbled and fell, her head striking the rail under the first passenger coach. The entire train passed over her.

Coroner Parker ordered the body removed to the county morgue. The coroner will make a thorough investigation.

A MODERN ABEDEGEO.

Demented Virginian Would Stay Three Days in Furnace.

Richmond, Va., Aug. 13.—Protesting that God had commanded him to enter the fiery furnace and remain there three days, Edward C. Bowler, twenty-seven years old, suffering with religious mania and mentally unbalanced because of the recent death of a sister, was pulled back while posted in front of the open furnace at the American Tobacco Company's works. So close was the man to the opening that when caught he fell and his right arm entered the fire and was nearly burned off. His head and back also came in contact with the hot sides of the furnace and were badly blistered.

BIG CROPS FOR U. S. FARMERS.

Railway Magnate Says Crops Will be Bigger Than Ever and the Prices Better.

New York, Aug. 13.—W. C. Brown, Vice-President of the New York Central system, returned recently from a journey of more than three thousand miles through the middle west, undertaken with the object of ascertaining the actual crop situation. He visited the states of Illinois, Indiana, Missouri and Iowa, and has prepared special reports on the condition in Kansas and Nebraska.

In all of these, according to his observations, the crops this year will be remarkable—as to both the quantity and quality. In speaking of his trip, Mr. Brown said: "I believe that the United States this year will harvest a larger quantity of grain of all sorts than ever before and will market it at a better price considering the size of the crops. The wheat crop in the six states in which I have personally made investigation, will be magnificent. Kansas this year is going to produce a wheat crop of about 99,000,000 bushels. Last year it produced 87,000,000 bushels. The corn crop is in splendid condition. In Kansas and Nebraska a corn crop on as large a scale as ever before is practically assured. Iowa will produce 350,000,000 bushels of corn and possibly 335,000,000. In Missouri with the exception of four counties in the northeast, all the counties will have great corn crops."

BRITISH TEACHERS ANXIOUS FOR TRIP.

The First of This Year's Mosely Excursions to This Continent Starts November 30th.

London, Aug. 13.—Thousands of applications are being made by teachers in all parts of the kingdom to take part in the excursions to America being arranged for the coming fall and winter. The offices of Alfred Mosely, who is making the arrangements at this end, are daily besieged with applications. Unfortunately only comparatively few of those who desire to go can be accepted. About five hundred teachers, representing every class from the kindergarten instructors to the professors of England's greatest universities, will be included in the tours. The first party numbering about thirty, will sail for America on Nov. 30, and from then until the end of March, similar parties will sail weekly. While Mr. Mosely is looking after the preliminary arrangements here Dr. Maxwell, superintendent of Public Schools of greater New York, and President Nicholas Murray Butler, of Columbia University, are arranging for the receptions and tours of the visitors.

KNIGHTS TEMPLARS.

NEXT CONVENTION TO BE HELD AT ST. CATHARINES.

Officers Were Elected—J. B. Tressider, of Montreal, Again Selected as Supreme Grand Master.

Montreal despatch: The convention of the Knights Templars, which has been in session here during the past two days, came to a close this afternoon. At this morning's session, at which Mr. J. B. Tressider, Supreme Grand Master, presided, it was decided to hold the next convention at St. Catharines, Ont.

The election of officers resulted as follows: Supreme Grand Master, K. L. T. Canada, J. B. Tressider, Montreal (re-elected); Deputy Grand Master, A. A. Campbell, London (re-elected); Grand Chancellor, W. H. Whyte, Montreal (re-elected); Grand Chaplain, Rev. A. W. Richardson, Kingston (re-elected); Grand Treasurer, C. F. Mansel, Toronto; Grand Constable, P. D. Gordon, Montreal; Grand Marshal, W. Green, Sault Ste. Marie (re-elected); Grand Registrar, W. M. Killam, Stratford (re-elected).

Provincial Grand Powers—London district, George Massey, Chatham; Hamilton district, A. E. Savage, Niagara Falls; Toronto district, R. E. Forsyth, Whitby; Kingston district, Geo. K. Dewey, Brockville; Quebec district, E. Evans, Quebec; New Brunswick district, W. Wallace, St. John, N. B.; Prince Edward Island district, Dr. Darroch, Kensington; Algoma district, D. J. Browne, Sault Ste. Marie.

Members of Grand Council elected—W. P. Ryrie, Toronto; Lieut.-Col. Hay, Port Arthur; Mr. H. E. Channell, Stanstead; D. A. Young, Montreal; H. Shaw, Kingston.

Members of Grand Council appointed—Wm. Roaf, Toronto; O. S. Hillman, Hamilton; J. C. Boyd, Sault Ste. Marie; J. Dambra, London; R. Kerr, London.

CHURCH AND STATE.

SPANISH MINISTERS UPHOLD CIVIL AUTHORITY.

Minister of Justice Announces Resignation to Give Government a Freer Hand—Right to Refuse Burial in Consecrated Ground of Those Civilly Married.

Madrid, Aug. 13.—The Cabinet to-day discussed the protest of the Papal nuncio against the Government's action in denying the right of the clergy to refuse burial in consecrated ground to those married civilly. It was decided by the Ministers to maintain absolutely the rights of the civil authority. During this discussion the Minister of Justice, Count Romanones, announced his resignation so as to give the Government a freer hand.

The nuncio later informed the Minister of Justice that he had applied to Rome for authorization to negotiate with the Spanish Government with the view of arriving at a compromise.

ENGINEERS ELECT OFFICERS.

Joseph Ironsides, of Hamilton, Elected President.

Galt despatch: The Canadian Association of Stationary Engineers concluded their three days' session this evening. Officers elected were: President, Jos. Ironsides, Hamilton; vice-president, E. R. Grandbois, Chatham; secretary, W. L. Outwaite, Toronto; treasurer, J. M. Dixon, Toronto; conductor, Chas. Kelley, Chatham; doorkeepers, W. McChie, Toronto.

A new Galt lodge recommended the publication of an official monthly journal for distribution among the members. This was adopted.

A protest was entered by R. Pettigrew of Hamilton against the change in the constitution denying past Presidents the right of franchise. Past President Sweet says the change cannot be effected by reason of a specific provision in the constitution and the resolution must be revoked.

Guelph was chosen as the next place of meeting.

TO SLAY WOMEN.

GERMAN SOLDIER IN AFRICA TELLS OF ATROCITIES.

Fearful to Shoot Them Down—Five Captured Near Water Hole Were Brutally Executed by a Detachment.

London, Aug. 13.—The Rheinischer Zeitung publishes a letter from a German soldier who is serving in South Africa, in which he says:—"When scouting one evening our party, consisting of fourteen men and an officer, came to a water pool, about which we saw some black figures hovering. We captured them, and they proved to be five native women. It was not considered advisable to shoot them, as there were known to be 200 blacks in the neighborhood. At last a soldier suggested that they be bayoneted. The officer forthwith gave orders to that effect, and five of us stood in front of the women and five behind them and stabbed them to death."

FARMER IN COURT.

Would Take Wayward Girl Home to Reform Her.

Toronto despatch: A kind-faced farmer sat in the spectators' gallery at the Police Court this morning, writhing in mental anguish as he listened to tales of the hard dealings of men and women in "the big city." His great heart throbbed as he heard the piteous weeping of the young woman, Lizzie Lessard, who was carried wailing from the dock to a long sentence in the Mercer. All the pent-up sunshine of summer fields and flowers gave him joy and hope enough to lend to others.

A hand touched Mr. T. C. Robinette on the shoulder.

"Mister," said the voice of the farmer, "I'll take that girl—guess we could use her back on the place. She don't look bad—that is, real bad. Maybe we could make a woman of her."

"I'm afraid you don't understand that girl," said Mr. Robinette.

"Your worship," said the lawyer, as the magistrate was about to leave the bench, "this man would like to take the Lessard woman back home to see if he can reform her."

"I'm afraid not," said the magistrate Kingsford, prompted by a long knowledge of men and women who come before him.

The farmer walked away disappointed.

DIES OF INGROWING HAIR.

Connecticut Workman, With Head Swollen, Expires in Torture.

Derby, Conn., Aug. 13.—With his head swollen to twice its natural size and suffering torture, Emil Jones, of New Britain, is dying in St. Francis Hospital, Hartford, from the effects of an ingrowing hair in his chin.

Jones tried to extract the filament and irritated the skin. Blood-poison followed, and he grew rapidly worse, dying within a week after the ingrowing hair was first noticed. Physicians say that the case is almost unique in pathology.

Jones was a knife handle finisher, and it is thought that dust from rosewood which he handled in his work might have caused the poison.

BOY SHOT DEAD.

SHOT BY ANOTHER BOY AT HIS FATHER'S COMMAND.

Frederick, Md., Aug. 13.—At the command of his father, Fred Debold, 17 years old, shot and killed George Smith, son of their neighbor, Edward O. Smith, near here last evening.

There had been bad feeling between the two families and yesterday they quarrelled over blackberries, the Smiths had picked on Debold's land.

"Shoot him," said John Debold to his son, pointing at the younger Smith. The boy fired a load from a shot gun which struck Smith over the heart, killing him instantly. Both the Debolds were arrested to-day and are now in jail here.

SYNDICATE TO BREAK SAGE WILL; LAWYERS BACK OF THE SCHEME.

Think Widow Would Compromise Rather Than Suffer Delay in Acquiring Control of Fortune.

New York, Aug. 13.—The latest developments in the fight to break the will of the late Russell Sage is the formation of a syndicate to finance the contest, the members of this syndicate to subscribe to a fund of \$25,000 to start with and meet other assessments as the necessities of the litigation may demand. The movement to form such a syndicate is progressing secretly and is far enough advanced to make its success assured.

The idea of a syndicate to subscribe funds to break the will originated with a number of attorneys who hoped that the collateral heirs would start a contest. Only one or two have evidenced any such desire, and even they are lukewarm toward the proposition. The provision cutting off without a penny any heir who might, directly or indirectly, contest the will has scared even those most dissatisfied.

Mr. Sage's nephews and nieces are people of modest financial standing, and the prospect of a \$25,000 bird in the hand is much more enticing than the vision of a bird of bigger billion value in the bush. Consequently, attorneys who, when appealed to, have advised a contest and expressed a willingness to promote the litigation upon a contingency fee basis feeling that no contests will result.

The attorneys feel confident that a contest will result successfully and that any heir who has the courage to oppose probate of the will will be richly rewarded for his temerity. Mrs. Sage, the lawyers feel sure, would dislike exceedingly to have her control of the millions left by her husband delayed by a contest and would agree to a compromise rather than have her plans for vast charitable schemes laid up.

BIG MELON KILLS A GIANT.

Lcm Dong Eats the Largest in the Market and Dies.

New York, Aug. 13.—Lom Dong, a Chinese, who stood 6 feet 8 inches without sandals and was an object of pride in Chinatown, died from a malady induced by the eating of too much watermelon.

While neither Lom Dong nor his friends expected his death for many years, Chinese of the old school had predicted it when they learned several weeks ago he had become a reformer, had donated thousands of American out-