

already secured from the sale of decentures. Ordinarily the board should not have declared dividends when the interest on the \$4,389,000 wasn't being paid and it could, therefore, be unhesitatingly placed on the credit side of the ledger. The road Cn which this money was loaned has lost \$300,000 (in operation) since

The Dual Role. The Dual Role. The way in which the money was loaned to the railway excited the wrath of the bondholders when they were informed yesterday. The sums were paid by draft, put thru either by the railway or by a construction company which was building the track. The strange part of it all is that the late J. R. Stratton was presithat the late J. R. Stratton was presi-dent of the Dominion Permanent at the time and also president of this construction company, while Tracy Holland, brother of the man now under arrest, was also vitally connectwith the construction company Another man named Morris was also interested. "It would seem," said Mr. Clark-

"that Stratton, Holland Morris were all out there at the time and that they drew this money by draft either thru the construction company or thru the railway. Of all the money now in this railway and western se-curities I doubt if we will be able to get back three-quarters."

The liquidator then announced that the estate of the late Christopher Kloepfer, Guelph, died 1905; D. W. Karn, Woodstock, died 1916; Thomas P. Coffee, Guelph, died 1916; 1. nomas P. Coffee, Guelph, died 1905; J. R. Stratton, Toronto, died 1916, and Frederick M. Holland, Toronto, ar-rested Fab. 20, 1918, and in dangerous condition of health. He hoped that about \$2,000,000 would be re-covered thru these actions. Both J. W. Bain, K.C., counsel to the liquidator, and G. T. Clarkson

expressed the belief that the last directors of the company, in-cluding Hon. T. W. McGarry, Dr. David Jamieson, M.L.A. and Speaker

of the lagislature: George Cowan, K.C., Winnipeg; T. B. O'Brien, To-ronto, were not criminally or clvfilly liable for the corporation's fail-ure. They had been duped by false statements when they joined the company's directorate and had not had the chance or opportunity of learning 'true conditions be'ore the crash came. Mr, Bain promised that he would leave no stone unturged to stated that all the directors and per sons connected with the bank would be examined in the winding up of the company's affairs. of the legislature; George Cowan, K.C., Winnipeg; T. B. O'Brien, To-



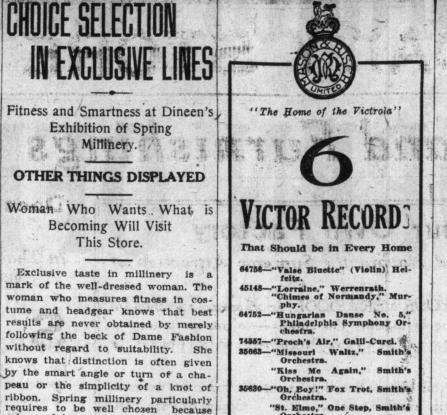
LET OUR EXPERTS ATTEND TO YOUR PLUMBING

The practical experience and expert knowledge of the men we send to look after your work has been the means of saving householders and owners of plants and warehouses substantial

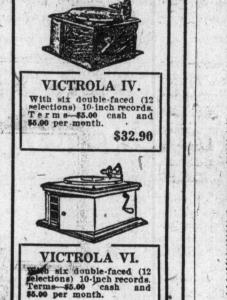
sums of money in the work we do. There are no "bunglers" in Shannon's employ. Every man we send out is a thoroughly experienced and reliable man, capable of undertaking any work no matter how important if is. Shannon service has been tested and tried this winter as never before, and has given 100% service in every instance. We answer calls by motor cars to all parts of the city.

ious spring days. The woman who cares for what is becoming can make no mistake by - SHANNON purchasing at Dineen's, 140 Yonge street, where the latest assortment in exclusive lines is on view. The stock is the result of choice collection, having been gathered by particu-lar buyers, the result both in mater-ial and design being most attractive. The display is most opportune for the Easter season, and none should miss THE PLUMBER Park. 738-739.

sons connected with the bank would be examined in the winding up of the company's affairs.
"Put a few others in jail besides the manager," should someone at the head of the only dividend passed in the time of the brightness and daintiness which that Mr. McGarry and Dr. Jamieson.
"Put a few others in jail besides the only one left, altho the brightness and daintiness which that Mr. McGarry and Dr. Jamieson.
"The ontratio Government is responsible for this," said another.
"Politics shouldn't keep them out of jail."
"What were they on the director rate for; to make faces at each other?"
"As usual it is the poor little fellow who suffers."
"The way they got Hon T, W. McGarry on the directorate was unutter showed him a statement giving a half a million dollar surplus, and in February, 1917, he went on the board At they be state the data to the west had long ago been put thro. In April Hon Mr. Mark and they be as state the data the west had long ago been put thro. In April Hon Mr. Mark and they be the same stot.
McGarry tendered his resignation. The vertige that the the same stot the west had long ago been put thre. In the board at the same scored in the time of this company." Books as spontes time score the surple score the dates that the various directors free were paying dividend the search for the thing was appointed, but the suditor sprites and were not at the found the was appointed, but the suditor dependent me to gross and were not at the divident was appointed, but the suditor sprites and were not the board. At they were not the board to directors free to be scored to the president at the divident was appointed but the score of the score in the their search for the thing were paying dividend the score of the their search for the thing were paying and the company. Another auditor directors and the there were paying divident the score of the their search for the thing were the director at the distictes of the their search for the



'St. Elmo," One Step, Smith's **Victrola Offers**



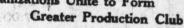
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With six double-faced (1

\$7.00

per month.

\$84.40



color and harmony—or the lack of it —are brought out so clearly in the light of the strong sun of these glor-

VICTROLA IX.



Have what the boys sing over there-they're your's to hear over here. 90 cents for 10-inch, double-sided Sussex by the Sea Alan Turner Take Me Back to Dear Old Blighty Alan Turner 216020 The Further it is from Tipperary Billy Murray 18433 I'm Going to Follow the Boys Elizabeth Spencer-Henry Burr 10-inch Blue Scal Record \$1.25 Lorraine Reinald Werrenrath Chimes of Normandy Lambert Murphy \$45148 Two Fascinating Red Seal Records

FRIDAY MORNING MARCH 22 1918

Two Grenadiers Clarence Whitehill 74556 Frances Alda 64692

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Simple A lighter c with cha drawers, and toile are a bec legs; a p compani The well cons chiffonier Mad black wal consists o with mirr neath; a In a lent prope ports. finish, and The -3 long \$27.50.

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THE TORONTO WORLD

suspect the true condition of affairs best of conditions were encountered best of conditions were encountered in selling the company's assets, and in the court actions, the debenture holders and depositors would share equally, and might get about 80 cents on the dollar, while the stockholders will get nothing. and had no chance to learn them. It would have taken a man two or three years to find out real conditions. "I wish to point out that the cor-

stockholders will get nothing. If con-ditions turned out unfavorable, and the lquidator were defeated in his court ac-tions, they would get much less than this amóunt poration would have gone out of busi-ness in 1907, long before these men went on the board, had it not added

west and look the railway over and report on it. He did so, and in Oc-tober, 1917, advised that it be sold. The company had taken a million in stock and a million and a half in bonds of the railway as security for as it had come-humor, pathos, sarcasm and useless anger. Official Referee Cameron, who called the loan, and owned it practically. Attempts were made to sell it, but they were not successful."

a meeting, will name a committee of adholders and depositors to assist in e winding-up of the corporation's "Has the company earned a dividend since 1907?" asked a depositor. "No, it has not. As a matter of fact, In 1907 it received \$125,000, and its expenses, interest, etc., to depositors were \$140,000," replied the liquidator. "Was it right for them to take in de-posits after they knew the bank was falling?" was asked. "That is why Holland is charged with conspiracy with others to defraud," an-swered J. W. Bain, K. C. "Who did he conspire with?" de-manded an aged man. "The dead, of course," retorted a clerical-looking person, and the gatheric

clerical looking person, and the gathering

O'Brien." Dealing with the railway, Mr. 'Clark-son said it had 35 miles of steel and ran from Republic, Washington, to the Canadian border. It ran about two trains a week and lost \$300,000 since 1903. He adylged the sale of the road as soon as possible. The road was being pro-perly managed. The \$981,000 which had been paid back by the railway on the been paid back by the railway on the loan had come from subsidies which it had received thru holding stock in anther railway. In connection with this allway there was a claim against the

Humor of the Hour. A debenture holder broke in to say that it a meeting of the company Hon. T. W. McGarry had said that the com-pany was in splendid shape and owed its present position to the late J. R. Stratton and F. M. Holland. "He sure was right," addied the speak. out of it."

'He sure was right," added the speak-

the railr

"And Holland himself swore at a neeting that the corporation had sold he rairoad when I questioned him about t. He said that they didn't have a ailway bond of any kind, but had sold

The liquidator referred to the difficulty morning.

Apparently the failure of this company McGarry tendered his resignation. They refused to accept it. He thought that he should not be connected with an institution that he might sometime have to investigate. Mr. McGarry was very ill, but in September, as soon the accepting his resignation, and at the Loan Corporation, in the Construc-tor Company the Stratton Syndicate and thru these interests controlled the board in Sept., 1917, and didn't attend any meetings. He had no reason to suspect the true condition of affairs and had no chance to learn them it selling the connervy age encountered in support the true condition of affairs and had no chance to learn them the set of conditions were encountered in selling the company whe serve encountered in the selling the company and town sites, and thru these interests controlled the board in Sept., 1917, and didn't attend any meetings. He had no reason to support the true condition of affairs and had no chance to learn them the

and solved the prob-lem for the man who is so situated. in the "Balaclava" slip-on — a coat ready to wear, cut to individual measures, individually

that 8 per cent. of interest to the railway loan—interest which it did not get. "T. B. O'Brien went on the board in Feb., 1917, at the request of the others. They asked him to ro out "I am ruined," almost screamed a man sleeves and shoulders. All sizes in ors and in novelty effects. Silk lined "Yes; and I'll have to sell my little home and go to work," an aged woman was heard to remark. "I can't wait that And finally the gathering went away



A large-scale German offensive also holds the exits of the three prin-opened against the British army yes-terday on the fifty mile front between the Sensee and the Oise, from about Scheldt and Oise.

retorted a the first day of spring. Sunshine and fighting, which began with a five the first day of spring. Sunshine and fighting, which began with a five four bombardment and an infantry attack. They allowed three weeks of the present directors as far as I can see," said Mr. Clarkson. "How about McPhillips?" There is no the statements of the others and went frozen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a way for the statements of the others and went forzen sand soon supplies a statement is the statement in the statement is the statement is the statement in the statement is the statement is

"He states that he simply went in on the statements of the others and went west to see the railroad with Mr. Dealing with the railway, Mr. Clark-son said it had 35 miles of steel and words of the farmer "the frost comes water cannot soak down until, in the words of the farmer, "the frost comes out of the ground." The top surface melts; next it goes deeper and deeper, muddied and softer until it gets below the frost line: then, suddenly, the ground drier soil herins to take the place of a drier soil begins to take the place of a his battle plans have failed at the be- man people are having to do without cold, frozen and then water-burdened ginning. The British and

surface. When that point is reached the the hoped for a substantial sum. the spring stage. Unless the ther-mometer falls in the next few days, most of the frost will have come out of the of the frost will have come out of the ground: rather, it will have melted and strong defences, prepared to resist the had to risk everything on an offensive. gone down into the ground. Then the most savage onset ever attempted by farmer gets on to the land, or should get on to the land "when the frost comes

most savage onset ever attempted by Germany, acted probably up to ex-pectations, for the five hours allotted to the bombardment was insufficient preparation for the German infantry. The Germans, in attacking the Brit-ish, are also reversing their former military process of striking at the hard-weakeet point, to striking at the hard-they seem

The only advaptage gained from a brief bombardment is the all-essential est point. This is because they seem one of surprise, but in this battle the to need a speedy end of the war or AUSTRIAN IS ARRESTED. Frank Rubczyuski, 122. York street, Germans did not achieve any surprise else they will collapse. They cannot whatever, from their plans being take the to complete the defeat of Italy. it. He said that they didn't have a railway bond of any kind, but had sold out and must keep the things secret be-cause such a good deal had been put thru." This from still another deben-ture holder. "Of course he was not telling the the was in the other man's coat the money from the other man's coat the money from the other man's coat the last is a very sick man." "I hope he dies." broke in a loser. "I hope he dies." broke in a loser. "I hope he dies." broke in a loser. an Austrian, was arrested last

to the charge in the police court this shortest route. The fifty mile stretch of line between LaFere and Croisilles A report from Holland that the flotilla of German destroyers and tor-



If she fails in the present endeavor she fails to win the war, and the best that she can hope for is a draw. The next few days will tell, for in order to win any victory affecting the duration of the war, the Germans would have to smash clear thru the British lines ong a 50-mile front and advance to Paris. It also affords them some salients. like the Cambrai salient of 6-mile frontage, to flatten out; but the prospects of their obtaining even these local advantages They cannot are not promising.

* * *

The British in Palestine have won an important success in the capture of three towns and some high land. The British fleet of coast monitors bombarded Ostend yesterday with telling effect and a squadron of British and French destroyers engaged a



HOLLAND GIVEN BAIL

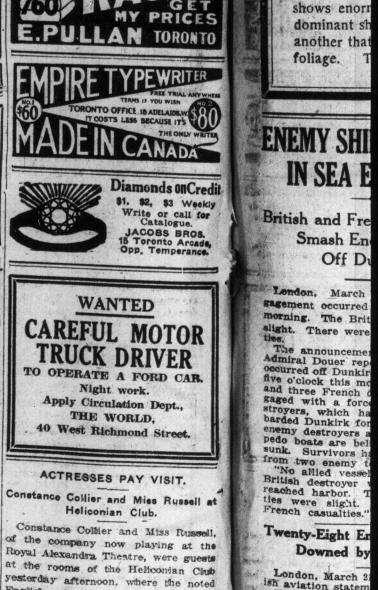
Frederick M. Holland, general man- them on the occasion of her former ager of the Dominion Permanent Loan Company, was released on bail of \$20,-Miss Colder sp boll last night. Jacob Cohen, J.P., go-ing up to his tiome 90 Scarth road, the war, and particularly of the great the war, and particularly of the great ing up to his home 90 Scarth road, the war, and particularly of the men and signing the ball bonds. Mr. Hol- things that had been done by the men

and signing the ball bonds. Mr. Hol-land had never been removed to a police station as his condition would not warrant it He himself took \$10,-000 of the ball, his wife \$5,000, and his physician. Dr. J. E. Willott the special sacrifice were slackers in the his physician, Dr. J. E. Elliott, the After the bail bonds were signed De-tectives Armstrong and Archibald

tectives Armstrong and Archibald, who have been stationed at his home, PROUDFOOT RETAINS LEADER-

PLANNING "SOLDIERS' DAY."

Sault Ste. Marie, Ont., March 21.—Sol-diers' Day may become an annual event will be give a public reception and well come. Plans are now under discussion,



ish aviation statem "Nine tons of b English actress received a hearty wel-Monday on enemy come as an old friend who had visited ammunition dump Busigny railway st dromes, one of whi large bombing may "Aerial fighting intense, encounte tween large format man airplanes winne were driven d Twelve of our mac "Six hundred bo during the night oused by enemy nig and on ammunition

All our machines r FIRE AT ME

Medicine Hat, bad fire wiped out at Redcliffe, Albert, this morning. Fir badly injured by fa The total damage