

LOAN SHARKS STILL ACTIVE

Business Revolutionized Within
The Past Year, However,
Owing to Legislation

OLD GAME NOW IN NEW FORM

Story of a Hard Working Swedish Teamster Who Borrowed Fifteen Dollars

In Four Months He Claims He Paid
Back at Rate of 144 Per

A business which has revolutionized its methods within one year's time and which is now being piled in full force in Salt Lake is that of the salary loan sharks.

The reason for the sudden revolution is that one year ago the Utah state legislature, taking note of the way poor people and people ignorant of financial matters, were fleeced of their hard-earned money, and charged interest rates often amounting to over 100 per cent, passed a stringent anti-usury law.

The law was meant to put the user out of business and compel him to close shop. It did it for a time, but now a skillful study of the law has been made, methods of indirection have been devised, and the old game is going ahead again in full force. Not the least interesting phase of it is that State Senator George N. Lawrence who, with State Senator Benner X. Smith, drew up the law, was approached by one of the loan shark companies to be its attorney, and had a chance to listen to a very elaborate method by which it proposed to op-

rate without violating the law.

In the D. F. Walker block and in the Atlas block, these loan sharks have established themselves. A sign is on almost every floor of the two buildings directing the salary earner where to go to secure accommodations.

TYPICAL CASE.

Here is what happened to Carl Berg, a teamster employed by the Geo. H. Romney Lumber company, when he tried to play the salary loan game. Berg is a foreigner who speaks but little English. Some time ago sickness in his family made it necessary for him

it from the firm. A little later another necessity arose to borrow more, and wishing to approach the firm a second time he went to the Standard Credit Co. of Denver, the name being significant since one of the new ways of operating the loan shark game is to make the office a foreign corporation, with merely a local clerk in charge, and to have all notes made out to the maker thereof, and by him endorsed.

so that in the hands of an innocent purchaser they become a perfectly regular and legitimate negotiable paper.

BORROWED \$18.

Berg applied at the loan office on Dec. 3, and borrowed \$18 for four months, according to his statement. His agreement was to pay \$1.65 per

week for that length of time, and he says he was regular in his payments until April 3, when there still remained to be paid a balance of \$3.60. On that date he received a letter from the com-

pany filled with dire threats about proceeding to collect, and assuring him that unless he came at once, and settled, the sum owed them would be a good deal more. In four months and three days he paid the company, he claims, and offers to produce the proofs of it, \$26.40, which makes an interest rate of almost 144 per cent a year, or just a shade less than 12 per cent a month.

VISIT TO OFFICE.

A visit to the loan office this morning immediately brought out the trick of

"Where is the manager?" was asked.
"If you want to get a loan, I can transact the business," was the immediate answer.

"And what will the rate of interest be?"

When told that inquiry was the common-made-for publication as to the borrower's ability to make payments, the respondent said that the loan manager vigorously compared the borrower to the building society members who were often late to keep up payments, rather than make a loss all the way up because a member failed to keep up payments.

Improvements added afterwards, and to furniture stores which have one price for cash and one for credit. She declared when asked about the Berg loss that she had paid \$3 less than she claimed.

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INCENDIARISM IN PEKIN.

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Never Anything Like It Before and Government Aroused to Action.

Pekin, April 19.—The continued attempts at incendiarism at Peking, many of which have been successful, have aroused the government to action and the throne has ordered an investigation.

Such a condition of affairs never has been known in Peking before. It is estimated that property to the value of 5,000,000 taels has been vitally burned down during the past three weeks. The fire bugs are believed to be revolutionists. The apprehension of the government is reflected in the excessive measures adopted by the police and military.

An official gazette issued today contains the names of a large number of revolutionists and no less than 57 Japanese whom the authorities are ord-