PAUL MORTON WILL NOT BE PROSECUTED

Special Counsel Harmon and Judson Wanted to Bring Proceedings Against Him.

RESIGNED THEN THEY

President Sends Ulm a Letter Speak ing in Complimentary Terms of His Integrity and Ability.

Washington, June 21 .-- President Roosevelt has taken occasion to exress himself in most positive terms implimentary of the integrity and ability of Paul Morton, former vice resident of the Atchison, Topeka & Santa Fe Railroad company, and now concluding his duties as secretary of the navy that he may assume the chairmanship of the board of directors of the Equitable Life Assurance society of New York. These expressions are contained in two letters, one addressed to the attorney-general and the other to Mr. Morton

The letters were made public today by the administration, together with a umper of others which, taken together, show the precise point of difference be tween the department of justice and Messra, Harmon and Judson, who re cently resigned as special counsel fo the government in the rebate case in volving the Santa Fe road and the Colorado Fuel & Iron company.

The special counsel wished to bring contempt proceedings against the officers of the road, which would have injuded Mr. Morton, Their position was that the testimony adduced before the starstate commerce commission estab. shed a violation of the court order of March 25, 1902, restraining the company rom executing any agreement to trans-

from executing any agreement to transport interstate traffic at rates lower than the published tariff of the road. This testimony, they contended, constituted a prima facic case against the officers of the road, and the only way to ascertain their guilt or innocence was through contempt proceedings.

Atty-Gen! Moody opposed the bringing of contempt proceedings on the ground that, while evidence before the commission might show a violation of the injunction by the road, it contained bothing charging any officer of the company with such violation. President Roosevelt took the same view.

Both the president and the attorney-general agreed that contempt proceedings should be instituted impersonally against the corporation in both the Colorado Fuel and the International Harvester case. The latter case, the president says, stands exactly on the same footing and involves practically all of the western roads. footing and involves practically president's letter to Paul Morton bart as follows;

Dear Mr. Morton: I have reto your own action concerning bates which the interstate com-commission have found to have nted by the Atchison road to sorrato Fuel company at the time were vice president of the road. I shred of testimony, so far as I has been presented from any s, whether by the interstate com-commission or the special counsel yed by the department of justice, brado Fuel company at personally implicates you in

n your letter you show not only you were ignorant of the existence uch rebates, but that you had taken

that you were ignorant of the existence of such rebates, but that you had taken every possible step to see that neither in this case hor in any other were any rebates granted and you quoted documents which show that your subordinates were repeatedly and explicitly warned to obey the law as regards these rebates as well as in other respects.

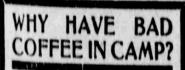
This showing on your part and in view of the fact that as I have said not a shred of testimony has been produced against you from any source whatever, I do not think that you need pay any further heed to the accusations that have been made against you. I do not myself need any corroboration of any statement you make, but if I did need it, it would be furnished by the bold, hess and frankness with which over three years ago and before any of the proceedings with which we are now dealing took place, you testified to the entire truth in connection with the taking of rebates from the roads, and it is deeply discreditable that this testimony shall not only now be quoted against you, but with shameless perversion of the truth should be quoted as having been given by you in this case, "It was primarily due to this testimony of yours that we were able to put so nearly effective a stop to the system of rebates as it then existed. You rendered a great public service by your testimony You enabled the government to accomplish in the interest of the public that which it could not otherwise have accomplished and you showed yourself to be more than any other railroad man with whom I came in contact, zealous in your endeavor to see that the law should no longer remain a found of the could not other that the law should no longer remain a found of the could not other that the law should no longer remain a found of the law should no longer remain a found of the could not other that the law should no longer remain a found of the law should no longer remain a found of the could not the law should no longer remain and the could not other that the law should no longer remain a found of the could railroad man with whom I came in contact, zealous in your endeavor to see
that the law should no longer remain a
dead tetter, but that all the railroads
alike should be required to obey it.

"I certainly would not shield you because you are in my cabinet, but equally certain I shall not sanction an attack upon you which I would not dream
of sanctioning if you had not become a
member of my cabinet."

TEA

We are the only American roasters of tea. This is only one of our reasons.

Your grocer returns your money if you don't like Schilling's Beat.



LEYSON COFFEE MACHINE easily carried and makes perfeet coffee in the mountains as ell as in your city dining room. ne 65 for the correct time.



DRASTIC REPORT ON **EQUITABLE SOCIETY**

State Supt. of Insurance Hend. ricks Sharply Criticises the Management.

EXTRAVACANCE IN SALARIES.

Alexander's Salary Was Advanced to \$100,000 in Order that Hyde's Might Also Be.

Albany, N. Y., June 21 .- The report of Supt. Francis Hendricks of the state insurance department to Gov. Higgins upon his investigation of the Equitable Life Assurance society, was made publice here and in New York tonight.

It is descirbed in the title as a "preliminary report," and it sharply criticises the management of the society, as well as the new trust arrangement for voting the stock agreed upon by Thos, P. Ryan and the three trustees designated by him.

In conclusion, Supt. Hendricks said: "No superficial measures will correct the existing evils in this society. A cancer cannot be cured by treating the symptoms. Complete mutualization with the elimination of the stock, to be paid for at a price only commensurate with its dividends, is, in my opinion, the only sure measure of relief.

"This report, with a copy of the evidence taken on this investigation, will be transmitted to the attorney-general for such action thereon as he may

for such action thereon us he may think proper."

for such action thereon as he may think proper."

James c. Alexander, president, and James H. ...yde, first vice president, respectively, whose resignations were accepted yesterday by Chairman Morton, are severely arraigned in the report. Gage E. Tarbell, second vice president, is exonerated? Mr. Hendricks finding that he substantial evidence appears in support of the charges against him. Mr. Hendricks says it is an open question whether President Alexander and the other officers and directors who participated with him in the transactions of "James H." Hyde and associatea" are not disqualified under section 36 of the insurance laws, from hereafter holding any office in a life insurance company. The report characterizes these transactions as unlawful. Mr. Tarbell's name is not in the list of participants in these transactions. The policy-hold-vers, nowever, the report sets forth, are under great obligations to Mr. Alexander and the other executive officers for demanding the mutualization of the society and the retirement of Mr. Hyde from its control.

A surprising feature of the presentment is that Mr. Hendricks goes back

from its control.

A surprising feature of the presentment is that Mr. Hendricks goes back to the organization of the Mercantile Safe Deposit company in 1876 by Henry B. Hyde, founder of the society, and declares that this company, which leases its office and vauit room from the Equitable Life Assurance society, does not pay sufficiently and profits enormously at the expense of the parent company, paying 29 per cent dividends. The Safe Deposit lease has 96 years to run.

Of Henry B, Hyde and the organization of the Safe Deposit and other subsidiary companies, Mr. Hendricks says: "He did not neglect his own interests or those of his immediate associates and dependents in the society."

The relations of the Equitable and its

The relations of the Equitable and its auxiliary companies are discussed, at length. Of Mr. Alexander's share it. to these companies Mr. Hen-

dricks says:

"James W. Alexander says hes igned these leases under the direction of Henry B. Hyde; I believe it to be the fact, and it is the most charitable construction which can be piaced upon his

A loss to the Equitable Life resulted from the consolidation of the Western Bank of Commerce of New York with the Western National Bank of New York, according to the report. The Equitable Life owned about 12,009 shares, or a controlling interest at \$700 a share. In the merger, however, the Equitable Life Assurance society accepted \$70 in cash and \$140 in stock of the consolidated bank.

The syndicate transactions of "James II. Hyde and associates" are referred

II. Hyde and associates? are referred to as "notorious." James W. Alexander's name is given in the list of participants, and it is shown that it various bond issues by Kuhn, Loeb & Co. Speyer & Co., J. P. Morgan & Co. and Brown Brothers the syndicate was represented in the underwriting. The total profits of the syndicate are placed at \$186,107. of which \$63,731 went to James H. Hyde and James W. Alexander. Another participant was William H. McIntyre, fourth vice president of the Equitable, whose share was \$14,420, Ali of those who took part in these dealings, the report says, should be compelled to pay back the sums received by them. "This is only very mild punishment," says the report. In the record of Mercantile Trust company shares Mr. Hendricks found that on June 4, 1900, 100 shares of that company's stock were sold to George J. Gould at \$500 a share, and on the same day 50 shares were sold to M. C. Frick for \$850 per share. On Dec. 20, 1901, 100 shares were sold to M. L. Schieff at \$900 a share.

The report shows that on the advice of Mr. Hendricks Kuhn, Loeb & Co. repurchased from the Equitable \$1,000,000 of Missouri Pacific gold 4s of 1945 to which Mr, Hendricks objected because they were collateral bonds.

Extravagance and waste in salarles are severely condemned. The increase in this respect in the executive officers was from \$320,800 in 1900 to \$613,000 in 1904. It was found that President Alexander's salary was advanced from \$75,000 per annum to \$100,000 without his request in order that James H. Hyde's salary might be increased to the same figure. Chauncey M. Depew, the report shows, is paid \$20,000 a year as attorney. David B. Hill received \$5,000 a leso as attorneys.

Of James H. Hyde's directorates in various corporations whose assets were solarge and whose ready money was always available for the purchase of securities which these great corporations of the firm of Kuhn of the firm of Kuhn of the important business of the society. The hencricks says:

"The executive committee with one additional



It's A Sale That Defies The Keenest Competition.

No Event of Equal Importance Has Ever Been Known in Salt Lake.

THIS SALE IS RUNNING AT HIGH PRESSURE--WITH RUTHLESS FORCE.

THE CLOSING out of our entire summer stocks presents opportunities to the people of Utah, never equaled in the Retail History of the State, to buy the Highest Grade Merchandise created for the present Season's wear at prices away below those which the Goods cost to produce. NOTHING TO COMPARE WITH THE DEEP AND SWEEPING PRICE REDUCTIONS MADE WAS EVER ATTEMPTED IN THIS CITY. We've passed the profit making period and entered upon a Season of Loss—and while we are not in business to lose money, when the exigency of the hour call for it we stand LOSS CHEERFULLY. THE PHENOMENAL SUC-CESS OF THIS CLEARING SALE PASSES ALL PRECEDENTS-The crowds grow greater day by day as the extraordinary values become better known by finding their way into the homes of the people. Tomorrow will be the

ander, James H. Hyde and Gage E. Tarbell, the later being exonerated. Of

ander, James H. Hyde and Gage E. Tarbell, the later being exenerated. Of Mr. Alexander, Mr. Hendricks says uncontroverted testimony shows that he was a participant in the James H. Hyde and associates transastions, that he executed the leases detrimental to the society's welfare and has failed to meet the obligations imposed upon him as chief officer of the society.

The summing up against Mr. Hyde is more severe. It sets forth that he permitted the society to lose heavily in its business transactions with the Commercial Trust company: that he exacted salaries out of all preportion to his age, ability or the value of his services; that he has been accustomed to draw large sums for expenses on his own unitimized vouchers; that he assumed domination of the society's affairs until the presidency was reduced to a position of secondary importance, and that he proceeded to use the society and its assets more and more as if they were his own, until he was checked by the demand for mutualization and his retirement.

TRANS-MISSISSIPPI CONGRESS Official Call to Meet Aug. 16-19 At Portland Issued.

At Portland Issued.

Portland, Or., June 22,—The official call for the sixteenth annual meeting of the Trans-Mississippi congress to be held at Portland, Or., has just been issued. The meeting will occur Aug. 16 to 19, at the Auditorium on the Lewis and Clark fair grounds.

The circular calls attention to the important fact that the congress is to meet in Portland during the commemoration celebration of the exploration of Capts. Lewis and Clark, which resulted in saving to this country a large part of the trans-Mississippi country.

In referring to the importance of the meeting the increasing commerce tributary to the trans-Mississippi territory is emphasized, and the best methods of exploiting the commercial possibilities

exploiting the commercial possibilities of this region will be exhaustively dis-

cussed.

The attention of the convention will be directed toward the increasing need of a department of mines and mining, with its head a member of the president's cabinet.

Among other topics for discussion before the congress will be improvement



Aroma-tight tins. Never in bulk.

A. Folger & Co. San Francisco

Equitable society, according to its reports, since Jan, 1, 1900, \$47,552,000 of bonds and \$1,780,000 of stock."

The report, after the recital of facts and figures as above, then takes up the charges against James W. Alexidad and Mexico: home manufacturers; livestock interests: parcels post; good product of the charges against James W. Alexidad and Mexico: home manufacturers; livestock interests: parcels post; good product of the charges against James W. Alexidad and Mexico: home manufacturers; livestock interests: parcels post; good product of the charges against James W. Alexidad and Mexico: home manufacturers. and irrigation and reclamation

BEST DAY YET. Doors open at 9 o'clock.

of arid lands,
Although the congress will endeavor Although the congress to confine discussion to subjects of general interest any question germane to the objects of the congress may be introduced by any delegate.
Subjects of a political nature will be

PRESIDENT'S POWER. If there were any doubt about the power of the president over legislation

Freedom from Fibre

leaves the meat of the kernel to be made into California Wheatine.

Flaked wheat food for breakfast. All good grocers.

Pacific Cereal Association

bill. Beyond all question there was a decided majority in the house against any increase in the navy at the time the naval bill was being considered in the committee. Two weeks before the place, and before the bill was taken up there was a substantial majority for the battleships. "The president wants the increase of the navy to go on," was the explanation of the change,

Three Physicians Treated Him With-out Success.

W. L. Yancy, Paducah, Ky., writes: "I had a severe case of kidney disease and three of the best physicians in Kentucky treated me without success. I then took Foley's Kidney Cure. The first bottle gave immediate relief, and three bottles cured me permanently, I gladly recom-mend this wonderful remedy." For sale by F. J. Hill Drug Co.

Music of the South, Saltair, tomorow,

National Educational Convention.

On account of the convention of the National Educational Association at Ashbury Park July 3rd to 7th, the Wabash Railroad has put into effect a rate of one fare for the round trip to New York, plus \$3.35 from there. This ticket will be good either direct or via New York City, and it is optional with the passenger to use rail or boat line between Detroit and Buffalo and between Albany and New York. All tickets routed via Wabash R. R. will be good for stopovers in either or both directions at Detroit and Niagara Falls and at New York on the return trip. Tickets reading via Wabash R. R. will also be good between New York and Asbury Park on steamers of the Sandy Hook Line, which arrangement will add a little sait to the trip. These tickets will be on sale from June 28th to July 1st, inclusive, and will be good for return till AUGUST 31st.

Mr. Phil P. Hitchcock, G. A. P. D. of the Wabash R. R. at Denver, states that he will be pleased to answer all questions and mail literature pertaining to the trip on request. National Educational Convention.

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Gardner Daily Store News

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We tell you frankly, they were designed to sell at at \$1.25 and \$1.50.

In fact, exact duplicates of them bring these prices in other stores.

Marked the Gardner way they're a dollar.

Other negligee shirts down to 50c and up to \$3.50, marked the Gardner way, too.

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Good Set of Teeth

Crown and Bridge Work a Specialty.



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