

INDEX

	PAGE
Statement of Case	I

POINTS.

I. The effect of the laws of the Supreme Circle relating to the Reserve Fund and the matter of trust	9
II. The effect of the Poole and Park cases on what has been termed excess dues	15
III. The conditions under which the so-called excess dues were paid to the Supreme Circle, whether voluntary or involuntary, and if under some law or authority....	18
IV. The signing of the authorizations or powers of attorney subsequent to July, 1912. (Known as the blue and yellow slips.)	22
V. Whether the payment of the so-called excess dues vested these moneys in the Supreme Circle, or did the membership still retain control over such funds?	24
VI. The authority for the Assignment of Mortgage, the action of the officers of the Supreme Circle and the matter of fraud	29
VII. Return of excess dues by the Supreme Circle between March 12, 1913, and December 31, 1913	33
VIII. The case of Calkins, Receiver, vs. Bump, Trustee, et al.	35
IX. The question of the allowance of interest	37
X. The matter of costs	40
XI. The opinion of the Vice-Chancellor	41
Conclusions	43

CASES CITED.

A

Agnew Co. vs. Board of Education, 83 N. J. E. 49, 67, Affnd. Ib. 336, 339	38
Allen vs. Thompson, 108 Ky. 476, 56 S. W. 823	12
Arthur vs. Odd Fellows, 29 Ohio, 557	13
Associate Alumni vs. Theological Seminary, 49 N. Y. S. 745	28
Associate Alumni vs. Theological Seminary, 57 N. E. 626	28

	PAGE
B	
Balais vs. Brazeau, 56 Atl. 186	31
Beekman vs. Henderson, 21 Atl. 567 (N. J.)	14
Black vs. Supreme Council, 120 Fed. 58. Affirmed, 123 Fed. 650.	21
Blake vs. Pleasantville, 95 Atl. 113	17
Brenzier vs. Supreme Council Royal Arcanum, 53 S. E. 835	12
Brown vs. Balfour, 48 N. W. 604, 12 L. R. A. 373	11
Buckley vs. Corey, 1 N. J. Eq. 505	40
C	
Calkins, Receiver, vs. Bump, Trustee, (79 N. W. 491; 120 Mich. 335)	35
Cammann vs. Traphagen, 1 N. J. E. 230	40
Commissioners vs. Equitable Beneficial Asso., 137 Pa. 412, 18 Atl. 112	12
Condon vs. Mutual Reserve Fund Asso., 42 Atl. 944	26
Crane vs. Hedine, 26 N. J. E. 378	13
Crompton vs. Pittsburg Council, 1 Pa. Super. Ct. 613	25
Cyc. 6, pages 971, 976	14
“ 29, page 51	13
“ 29, page 177	26
“ 39, pages 92, 99, 100	14
“ 39, page 422	38
D	
Demings vs. Supreme Lodge, 20 N. Y. App. 622	25
Demings vs. Supreme Lodge, 48 N. C. Suppl. 649	25
Dickinson's Appeal, 8 Atl. 64	14
Doran vs. Camden, 64 N. J. L. 666	17
Dowlings vs. Knight Templars, 74 N. W. 725	25
E	
Elsley vs. Odd Fellows, 142 Mass. 224	10
Evarts vs. United States Mutual, 16 N. Y. Suppl. 27	25
F	
Fogg vs. Supreme Lodge, Golden Eagles, 33 N. E. 692	21
G	
Gulick vs. Gulick, 39 N. J. E. 401	14-31
H	
Halstead's Dig. 240, Paragraph 3	40
Harrisburg vs. Hope Fire Co., 2 Pearson (Pa.) 269	14
Hellenberg vs. Independent Order of B'nai, Birth, 94 N. Y. 580.	10

INDEX

iii

	PAGE
Hendrickson vs. Shotwell, 1 N. J. E. 577	14
Howard vs. Mutual Reserve Fund, 34 S. E. 199	26
Howard vs. Mutual Reserve Fund, 45 L. R. A. 853	26

I

Insurance Commissioner vs. Provident, 36 Atl. 627	10
Isham vs. Delaware, Etc., 11 N. J. E. 227	14
Ives vs. Sanguinetti, 85 Pac. 480	14

K

Knights Templar M. Life Indemnity Co. vs. Vail, 206 Ill. 404, 68 N. E. 1103	11
Knights vs. Supreme Council, 6 N. Y. Suppl. 427	25
Kuhl vs. Meyer, 42 Mo. App. 474	30

L

Logsdon vs. Supreme Lodge, 76 Pac. 292	25
Loose vs. Obrey, 22 N. J. E. 52	40
Lowry vs. Tierman, 2 H. & G. (Md.) 34	14

M

Mansfield vs. Wardlow, 91 S. W. 859	28
Massachusetts Foresters vs. Callahan, 146 Mass. 391	10
Morris vs. Morris, 37 S. E. 570	28
Mutual Reserve Fund vs. Phelps, 103 Fed. 515	11
Mutual Reserve vs. Taylor, 37 S. E. 854	20

Mc.

McCloskey vs. Supreme Circle, A. L. H., 96 N. Y. S. 347; 109 App. Div. 309	21
---	----

N

National Park Bank vs. Clark, 38 N. Y. Misc. 558, 77 N. Y. Suppl. 1089	11
Nauvo State Bank vs. Lobdell, 54 N. E. 157	14
Niblack Beneficial Asso., at page 247	11

O

O'Brien vs. Wheller, 35 N. E. Rep. 587	14
--	----

P

Parish vs. N. Y. Produce Exchange, 56 L. R. A. 149	13
Perry on Trust, Paragraphs 104-105	14
Potts vs. Phila. Asso., 1 Leg. Gaz. (Pa.) 369	14

Poole vs. Supreme Circle, 85 Atl. 453 -- 3-15-21	
Poole vs. Supreme Circle, 85 Atl. 821-	4
Poole vs. Supreme Circle, 87 Atl. 1118-	4
Poole vs. Supreme Circle, 80 N.J.E. 259-	4
1st. Park vs. Supreme Circle, 81 N.J.E. 330-	5-16
1st. Park vs. Supreme Circle, 86 Atl. 432-	5-16
2nd. Park vs. Supreme Circle, 89 Atl. 1042-	5

	PAGE
R	
Reilly vs. Fithian, 64 N. J. E. 260	40
Reynolds vs. Fidelis Lodge, 14 Pa. Super. Ct. 515	25
Roehm vs. Horst, 178 U. S. 1	21
Ruckman vs. Ruckman, 33 N. J. E. 355	41
S	
Saunders vs. Robinson, 144 Mass. 306; 10 N. E. 815	10
Schwarz Bro. Co. vs. Board of Health, 84 N. J. L. 736	17
Sherman vs. Harbin, 100 N. W. 623	10
Skaggs vs. Mann, 33 S. E. 110	28
Skellings vs. Massachusetts Benefits Asso., 146 Mass. 217	10
Smith vs. Hunterdon County Mutual Fire Asso., 41 N. J. E. 473; 4 Atl. 652	12
2 Spencer's Equity Jur. 881-882	14
Spengler vs. Spengler, 65 N. J. E. 176	26
Spengler vs. Spengler, 55 Atl. 285	26
Steuve vs. Grand Lodge, A. U. O. W., 5 Ohio Cir. Ct. 471, 3 Ohio Cir. Ct. 231	20
Sterling vs. Sterling, 79 N. W. 525	28
Straus vs. Gilbert, 83 N. E. 946	38
Supreme Council, American Legion of Honor vs. Smith, 45 N. J. E. 466; 46 N. J. E. 104	10
Supreme Council vs. Perry, 140 Mass. 580	10
Supreme Council, A. L. H. vs. Black, 120 Fed. 580; 120 Fed. 650	20
Supreme Lodge vs. Meister, 68 N. E. 454	25
Supreme Lodge vs. Welsch, 57 Pac. 115	25
Statute 1898	9
Statute of Fraud, Sec. 4	31
T	
Taylor vs. Coriel, 66 N. J. E. 262	31
Trenton Mutual Life Ins. Co. vs. McKelway, 12 N. J. E. 133	20
Tyler vs. Odd Fellows, 145 Mass. 134	10
U	
United States Mutual vs. Mueller, 37 N. E. 882	25
W	
Walker vs. Commissioner, 61 N. W. 512	36
Wilber vs. Ferguson, 24 Ill. App. 119	13
Y	
Yard vs. Ocean Beach Asso., 49 N. J. E. 306	41
Yeaton vs. Yeaton, 4 Ill. App. 579	14

**NEW JERSEY
COURT OF ERRORS AND APPEALS.**

BETWEEN

JOHN G. HORNER, Re-
ceiver, etc.,

Appellant,

and

GEORGE W. HEINECKE,
et al.,

Respondents.

} BRIEF OF APPELLANT.

BRIEF OF APPELLANT.

STATEMENT OF CASE.

The appeal in this case brings before this court a final decree made by the Court of Chancery, wherein a certain assignment of mortgages amounting to \$42,200 was decreed by this court to have been properly made. The total amount of securities transferred amounted to \$88,900. The remainder of these securities were bonds and mortgages in Pennsylvania for which the receiver has already brought suit to recover in that State. The same situation arises concerning the Pennsylvania securities, and

the parties to this case, as well as the Vice-Chancellor, have considered the matter as involving the total amount of the securities assigned.

More than fifty years ago a beneficial organization was organized in this and the adjoining States which became known as the Brotherhood of the Union, and later, in 1905, as the Brotherhood of America.

In 1895 the head of the organization filed articles of incorporation in the State of New Jersey under the name of "Supreme Circle, Brotherhood of the Union." At the same time a Death Benefit Fund was created and made a part of the association, which provided that each member should pay to the association the sum of fifty cents a month and at his death, his beneficiary or next of kin would receive the sum of \$500. It was also provided by the constitution and by-laws that when the monthly receipts of members' dues was not sufficient to pay the losses for that month that the member would be required to pay ten cents additional. These laws also provided for the establishment of a reserve fund in the Death Benefit Fund which was created as follows: "Five per cent. of the monthly receipts shall be added to the reserve fund, the same to be deposited in banks or trust companies paying interest, said depositories to be designated by the trustees, or to be invested in such manner as the Supreme Circle may direct." It was also provided by this law that **"No appropriation shall be made from the reserve fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle, at an annual or special session."** (Case, page 83, line 10.)

From the funds thus created into a reserve fund, investments were made by the Supreme Circle in various mortgages. The total amount of the reserve

fund on December 31, 1909, amounted to the sum of \$153,856.55, and of this amount the sum of \$42,200 was, on December 31, 1909, invested in bonds and mortgages in Camden County. (Case, page 113, line 13) (Exhibit C1). That is to say, **that the specific bonds and mortgages held as investments of the reserve fund on December 31, 1909, were kept intact and the assignment of these mortgages made on April 9, 1914, hereafter more specifically set forth, is the subject-matter of this suit.**

In 1905, the Supreme Circle, Brotherhood of the Union, filed a new certificate of incorporation in the office of the Secretary of State of New Jersey under the name of "Supreme Circle, Brotherhood of America."

In October, 1909, the Supreme Circle enacted a new law by which the old flat rate of dues of fifty cents a month from each member was changed to a graded schedule, so that under the new law a member between sixteen and twenty-one years of age would pay forty cents a month; between twenty-one and twenty-six years forty-five cents; between twenty-six and thirty-one years fifty cents; between thirty-one and thirty-six years sixty cents; between thirty-six and forty-one years seventy-five cents and over forty-one years ninety cents. (See Case, page 86.) This law was to become effective on March 1, 1910.

Some of the older members feeling that their contracts of insurance were interfered with by this new law, one of their number, Hamlet Poole, filed a class bill in the Court of Chancery, seeking relief against the increase in dues. On a hearing of a rule to show cause Chancellor Walker, then Vice-Chancellor, in a reported opinion (85 *Atl.* 453), said that the **defendant corporation would be permitted to collect the**

increased dues from those who were willing to pay them and that such overplus received by it in the event of the case being determined in favor of the complainant, should be applied to future accruing dues, but that no one should be suspended or expelled for the non-payment of such increased dues. An order for an injunction restraining the Supreme Circle and the other defendants from expelling the said Hamlet Poole or other members for failure to pay the increased dues was made on May 24, 1910. (See Exhibit C15, page 393, Case.)

The final decree in the Poole case, on the opinion of then Vice-Chancellor Walker (85 *Atl.* 821), which held that the increase of dues was a violation of the contractual rights of Poole and the class he represented, was appealed to this court, and the opinion of the then Vice-Chancellor was affirmed on July 5, 1912, for the reasons stated in the Vice-Chancellor's opinion (87 *Atl.* 1118, 80 *Equity*, 259), and an injunction issued out of the Court of Chancery in accordance therewith on July 13, 1912.

On July 30th and 31st, 1912, the Supreme Circle enacted new laws by which they divided their members into two divisions, Division No. 1, to comprise all members who had joined since March 1, 1910, and all other members who were willing to pay the graded schedule of dues, called increased dues, and Division No. 2, to comprise all members who had joined prior to March 1, 1910, whose contracts under the Poole case could not be changed, who would not consent to pay the increase of dues. The new laws also provided for a division of the reserve fund (page 34, line 30, of Case), by apportioning it among the whole membership in proportion to the duration of membership, and making the fund of each division liable for losses of that particular di-

vision and also preventing any new members from joining Division No. 2.

After the enactment of this law of 1912, authorizations were sent out, signed and returned to the Supreme Circle by all members, who had agreed to pay the increased dues, transferring their equity in the Death Benefit Fund to Division No. 1 and agreeing to be governed by the then existing laws. (See Case, pages 154, line 20) (Case, page 156, line 3). **All members of Division No. 1 signed authorizations.** (Case, page 157, line 1.)

Daniel H. Park, a member who had joined prior to March 1, 1910, and whose contract was protected under the Poole case, and who had been placed in Division No. 2, began a suit in the Court of Chancery to question the validity of the division of the reserve fund, as it was apparent that the destruction of this division of the fund would be only a question of time.

On preliminary hearing in this case Vice-Chancellor Leaming expressed the opinion (81 *N. J. E.* 330—86 *Atl.* 432), that a division of the reserve fund could not be made according to the duration of membership and the Supreme Circle before final hearing in that case, in May, 1913, changed the law to read that a division of the reserve fund should be made according to the life expectancy of the members.

The new method of dividing the reserve fund according to life expectancy was brought into the Court of Chancery by what is known in this case as the second Park case, and on March 18, 1914, an opinion of that Court by Vice-Chancellor Leaming (89 *Atl.* 1042) held that the reserve fund could not be divided in such a manner as to exempt the moneys in the Death Benefit Fund and reserve fund from liability under complainant's contract in the manner

specified in said by-laws. A final decree was entered in the Chancery Court in this case on April 11, 1914. (Case, page 308.) On the same day an appeal was taken by the defendant, Supreme Circle, to this court, and on April 13, 1914, a stay of execution was entered. On April 21, 1914, a petition of appeal was filed. On November 18, 1914, the petition of appeal was dismissed by this court. On December 7, 1914, an injunction issued restraining the enforcement of the amended by-laws in such a manner as to exempt the moneys in the Death Benefit Fund and reserve fund from liability under complainant's (Park) contract.

On April 9, 1914, before the entering of the final decree in the second Park's case, an assignment was made by the trustees and the other officers of the Supreme Circle of the mortgages set out in the bill of complaint, amounting to \$42,200, to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, without specifying for whom they were trustees. This assignment of mortgage was withheld from record until May 16, 1914, during all of which time the second Park case was at issue in this court.

That is to say, that on the day that the final decree was signed by the lower Court, a notice of appeal was filed and a stay made by that Court against the issue of an execution. So that from the enactment of these laws of nineteen hundred and twelve, including the amendment of May, 1913, there was no order or decree of any court restraining the enforcement of these laws until the appeal to this court was dismissed on November 18, 1914, some six or eight months after the assignment of mortgage in question. Neither was any authority given for the transfer of these securities by any law or resolution of the Supreme Circle.

On May 13, 14 and 15, 1914, at a meeting of the

Supreme Circle, a resolution was adopted by it by which it voted to dissolve and after giving the notice required by statute, a certificate of dissolution was entered in the office of the Secretary of State on September 29, 1914. (Exhibit C4, Case, page 310.)

On December 14, 1914, in the case of *McClain vs. Supreme Circle, Brotherhood of America*, John G. Horner, the appellant, was appointed receiver of the defendant by the Court of Chancery, and entered into bond for the performance of his duties.

The receiver, the appellant, filed a bill (Case, page 5), to recover the securities or mortgages for the benefit of the creditors, an answer filed by defendants alleged that the assignment was made for the purpose of returning excess dues, and from a final decree (Case, page 289), made in that matter by the Court of Chancery in which the Receiver's prayer for relief was almost entirely denied, this appeal has been taken.

The Death Benefit Fund and the Reserve Fund were entirely under the control of the officers of the Supreme Circle (Case, pages 101 to 109), and they held the mortgages, which were assigned, as trustees for the specific purpose as set forth by their laws and the members' contracts.

The term excess dues as it is used in this case represents the excess paid by any member over and above the fifty cents a month. These payments began March 1, 1910, and continued until the dissolution of the Supreme Circle on September 29, 1914, for those who were willing to pay. Some members did never pay more than the fifty cents a month.

The opinion of the learned Vice-Chancellor in court below as we understand it, disregards the trust created by the Reserve Fund, and concludes that the excess due never became vested in the Supreme Circle.

ARGUMENT.

The appellant feels that the arguments for these several reasons for appeal should for the convenience of this Court be made under the following points:

I. The effect of the laws of the Supreme Circle relating to the reserve fund and the matter of trusts.

II. The effect of the Poole and Park cases on what has been termed excess dues.

III. The conditions under which the so-called excess dues were paid to the Supreme Circle, whether voluntary or involuntary, and if under some law or authority.

IV. The signing of the authorizations or powers of attorney, subsequent to July, 1912. (Known as blue and yellow slips.)

V. Whether the payment of the so-called excess dues vested these moneys in the Supreme Circle, or did the membership still retain control over such funds?

VI. The authority for the assignment of mortgage, the action of the officers of the Supreme Circle and the matter of fraud.

VII. Return of excess dues by the Supreme Circle, between March 12, 1913, and December 31, 1913.

VIII. The case of *Calkins, Receiver, vs. Bump, Trustee, et al.*

IX. The question of the allowance of interest.

X. The matter of costs.

XI. The opinion of the Vice-Chancellor.

POINT I.

The effect of the laws of the **Supreme Circle** relating to the reserve fund and the matter of trusts.

This reserve fund was created by the moneys paid in by all of the members for the purposes of the payment of death benefits of members and constituted a trust fund which could be used for no other purpose.

In support of the above contention we respectfully submit the following evidence and cases:

The Statute of 1898, Chapter 181, Section 9, provides "that associations incorporated under this Act may provide for the relief, etc., of their families, or contract with their members to pay death benefits and agree to pay the same to husband, wife, mother, father, son, daughter, sister or legal representative of such member, after his or her death, and to maintain a fund for that purpose."

The Supreme Circle, Brother of America, was incorporated under this Act and the reserve fund was an accumulation obtained by taking five per cent. of the monthly receipts paid in by the members and

paying the same into the Reserve Fund. It was further provided by this law "That no appropriation shall be made from the Reserve Fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle at an annual or special session." (Case, page 83, line 10.)

These funds had been earmarked, identified and kept separate and distinct from all other funds and the securities which were assigned on April 9, 1914, were the identical securities which had been held by the Supreme Circle as trustee for years prior to March 1, 1910.

Where an association is organized under a statute authorizing the formation of corporations to accumulate a fund to be paid to the widows and children of deceased members, neither the corporation, nor the members, nor the two combined, can divert any part of the fund from those for whose benefit it was accumulated.

Supreme Council, American Legion of Honor vs. Smith, 45 N. J. E., 466—46 N. J. E. 104;

Supreme Council vs. Perry, 140 Mass. 580;

Elsey vs. Odd Fellows, 142 Mass. 224;

Tyler vs. Odd Fellows, 145 Mass. 134;

Skellings vs. Massachusetts Benefit Asso., 146 Mass. 217;

Massachusetts Foresters vs. Callahan, 146 Mass. 391;

Hellenberg vs. Independent Order of B'nai B'irth, 94 N. Y. 580;

Saunders vs. Robinson, 144 Mass. 306—10 N. E. 815;

Sherman vs. Harbin, 100 N. W. 623;

Insurance Commissioner vs. Provident, 36 Atl. 627;

Mutual Reserve Fund vs. Phelps, 103 Fed. 515;

Brown vs. Balfour, 48 N. W. 604—12 L. R. A. 373;

Niblack Beneficial Asso., at page 247.

In the case of *National Park Bank vs. Clark*, 38 N. Y. Misc. 558,—77 N. Y. Suppl. 1089, Justice Wright said:

“So we have here the fund devoted by the law providing for its existence, and also by the subsequent agreement by every member of the order to a certain definite purpose. It was paid by the members to the Supreme Council for that purpose, and it was hedged about by rigid provisions for its protection against diversion by the Supreme Council or any other authority and therefore cannot be used for any other purposes than that for which it was created.”

In *Knights Templar and M. Life Indemnity Company vs. Vail*, 206 Ill. 404, 68 N. E. 1103, in discussing the funds derived from assessment and set apart for a specific purpose, a distinction is drawn between such funds and those of an ordinary life insurance company. Justice Ricks said:

“It may be observed that appellant is not an ordinary insurance company, which pays tribute to the State upon the theory that it reaps from the business pecuniary profits; but, on the contrary, its existence is only authorized upon the theory, as the title of the Act authorizing it provides, that it was organized ‘for the purposes of furnishing life indemnity or pecuniary benefits to widows, orphans, etc., to members

thereof.' In the eye of the law, the members and those bearing the relation to them, are the beneficiaries of all the fund realized by such corporation, and not the corporation itself. The corporation stands as but a trustee handling the funds paid by members and to be repaid to them, and their beneficiaries, authorized by them, according to the same restrictions as provided by the Act."

The same view is held in the case of *Commissioners vs. Equitable, Beneficial Association*, 137 Pa. 412, 18 Atl. 112.

All policy holders who contributed to funds of a mutual fire insurance company are entitled to a portion thereof on liquidation. *Smith vs. Hunterdon County Mutual Fire Asso.*, 41 N. J. E. 473; 4 Atl. 652.

In the case of *Brenzier vs. Supreme Council, Royal Arcanum*, 53 S. E. 835, where an attachment was sought on the reserve fund on a judgment for the return of dues, the reserve fund having been created by the members for the purpose of paying death benefits to their widow, orphans, beneficiaries, etc., it was held

"that the funds accumulated for the specific purpose of paying death benefits constituted a trust fund and could not be used for any other purposes, and that such funds are not liable for an attachment for return of dues."

In the case of *Allen vs. Thompson*, 108 Ky. 476; 56 S. W. 823, the defendant had borrowed from the association some money on a bond and mortgage, he was also a member of the association and had paid in certain payments or assessments. On a suit to

recover the amount due on the mortgage the defendant attempted to set off the amount of dues which he had paid into the association as a counter-claim to the mortgage. It was held in this case that as the payments were made to the reserve fund and that as the reserve fund was a fund to pay death losses the moneys could not be used for any other purpose and that he could not set up as a counter-claim to the mortgage debt these assessments which he had paid in.

In the case of *Wilber vs. Forguson*, 24 Ill. App. 119, it appeared that the directors for the purpose of paying death losses had advanced the money from their own personal funds. Thereafter an attempt was made to repay themselves out of the reserve fund. The reserve fund was created by the members for death claims to beneficiaries and it was held that the directors could not reimburse themselves out of the reserve fund, but that they became only ordinary creditors.

A trustee must protect his estate by suit if necessary.

Crane vs. Hedine, 26 N. J. E. 378.

The funds of beneficial associations are controlled by charter of incorporation or articles of association and its constitution and by-laws.

29 *Cyc.* 51;

Arthur vs. Odd Fellows, 29 Ohio, 557.

An association has no power to divert the funds from the purpose to which, under the laws of the order, they have been dedicated.

Parish vs. N. Y. Produce Exchange, 56 L. R. A. 149.

Property once devoted unqualifiedly to a charitable purpose cannot be withdrawn by the donor nor can the trustee release the trust after acceptance.
6 *Cyc.* 971.

The charity cannot be altered as to its purpose or management by any agreement between the donor and the donee or their trustee.

Hendrickson vs. Shotwell, 1 N. J. E. 577.

A fund given as a purely charitable object cannot be diverted to any other use.

Harrisburg vs. Hope Fire Co., 2 Pearson (Pa.) 269;

Potts vs. Phila. Asso., 1 Leg. Gaz. (Pa.) 369;

6 *Cyc.* 976.

Where an express trust has been perfectly and completely created and the rights of the beneficiaries have thus become vested, the trust cannot be changed, altered or modified by either the creator, trustee, part of *cestuis que trustent*, or the court, except with the consent of all the beneficiaries.

Gulick vs. Gulick, 39 N. J. E. 401;

Beekman vs. Henderson, 21 Atl. 567 (N. J.);

Isham vs. Delaware, etc., 11 N. J. E. 227;

Dickinson's Appeal, 8 Atl. 64;

39 *Cyc.* 92-99-100;

Perry on Trust, paragraph 104-105;

2 *Spence's Equity, Jur.* 881-882;

O'Brien vs. Wheeler, 35 N. E. Rep. 587;

Nauvoo State Bank vs. Lobdell, 54 N. E. 157;

Ives vs. Sanguinetti, 85 Pac. 480;

Lowry vs. Tierman, 2 H. & G. (Md.) 34;

Yeaton vs. Yeaton, 4 Ill. App. 579.

POINT II.

The effect of the Poole and Park cases and what has been termed excess dues.

The effect of the Poole and Park cases is to change the contracts of those who joined after March 1, 1910, and all those who consented to the change in dues and thereby made new contracts.

In the Poole case by carefully observing the language of then Vice-Chancellor Walker, 85 *Atl.* 821, it appears that he has considered Poole and the class of members who had paid the flat rate of dues of fifty cents a month were in a class separate and distinct from the other members who perhaps had changed their contracts and paid the increased rate. He also particularly sets forth that such of the members who would be protected under the restraining order of the Park case in the event of the decision adverse to the Supreme Circle, that such members should have applied on their monthly payment the amount of any excess they may have paid, that is, to future accruing dues. So that the Poole case left the association with three classes of members, one class who refused to pay the increased rate, the second class who agreed to pay the increased rate and thereby changed their contracts and the third class those who joined the order after March 1, 1910, with full knowledge of the facts pertaining to litigation and with full knowledge of the laws then in effect.

The conclusions of the learned Vice-Chancellor in the present case would seem to imply that the Supreme Circle could not change the laws in any respect concerning the Death Benefit or Reserve Fund. After his decision in the Park case (Case, page 308), a decree was entered which states that **"A perpetual injunction issue restraining said defendants, its officers, agents and all other persons claiming to act within its authority, or the authority, protection or control of either of them, from enforcing the amended by-laws referred to in such manner as to exempt the moneys of the Death Benefit Fund and Reserve Fund of defendant from liability under complainant's contract in the manner specified in said amendment."** This final decree was entered in the case to test the validity of the law of July, 1912, as amended May, 1913, first to increase the rate of dues and second to divide the funds. The first, concerning the increase in dues, was not decided against the association for there was no question but what the Supreme Circle and the members could mutually agree upon the amount of dues which these members should pay, but the matter of the division of the funds and the placing of Park, the complainant, and his class, in a fund by themselves which meant the complete destruction of their contracts was set aside.

In the opinion of the Vice-Chancellor (81 N. J. E. 330), he says that they cannot destroy the contracts of the old members by placing them in a fund by themselves, but he does not say that they cannot make new contracts on an increased rate of dues for new members or such of the old members as were willing to pay the increased rate of dues. **He said you cannot place this fund beyond the liability of the complainant's contract. This is the same con-**

tention as we have in this case that you cannot place this fund beyond the liability of the members' contracts.

This Court held in the case of *Doran vs. Camden*, 64 N. J. L. 666, that a law or ordinance was invalid in part, but all that part of the law or ordinance which was not unlawful was in force where the two were separable. This case has been followed by this Court continuously since that time.

The case of *Schwarz Bros. Co. vs. Board of Health*, 84 N. J. L. 736, and *Blake vs. Pleasantville*, 95 Atl. 113, being the latest cases.

The part of the law in the Park case which sought to divide the funds was declared unlawful, but that part of the law establishing the increased rate of dues was not so declared and therefore must be valid as the two were entirely separate and distinct from one another. The one dividing the funds destroying some of the members' contracts, while the law increasing the dues protected the members' contracts.

It is perfectly natural for an association who finds the costs of performing its part of its contracts increased, to refuse to make other contracts at the same rate, and that it has a right to make new contracts at an increased rate or to make new contracts with such members as agree to an increased rate, we have no doubt.

POINT III.

The conditions under which the so-called excess dues were paid to the Supreme Circle, whether voluntary or involuntary, and if under some law or authority.

The payment of the so-called excess dues under the conditions which they were paid made them either voluntary payments on the part of the members, or payments made by the members on some contract they had made with the Supreme Circle.

After the opinion of then Vice-Chancellor Walker at the preliminary hearing on the Poole case, an order was made (Case, page 393), restraining the Supreme Circle from expelling the members or striking their names from the roll of membership for failure to pay the increased dues.

Regardless of this order some members did pay the increased dues. Such payments therefore must be voluntary.

Mr. Walter testified (Case, page 132, line 25), in answer to question as to how long they collected excess dues:

“A. We continued to collect them up and until July 1, 1913, off some of the members, and continued to collect them off others until the date of dissolution.”

Mr. Walter further testifies on page 165, line 28, as follows:

“Q. They had made these payments voluntarily, had they not, from the time of the Poole case?”

A. Sir?

Q. They had voluntarily paid the increased dues from the time of the Poole case?

A. Yes, sir.

Q. And they continued this voluntary payment clear up to April, 1914?

A. Yes, sir.

Q. These members clear on up until after this assignment was made—of the payments Division 1 members had made were voluntary as far as they were concerned, is that correct?

A. Yes, they were voluntary, of course they were, because they were willing to pay the increased rate of dues.”

(On page 185):

“Q. By what reason did you continue to collect excess dues if they had passed that law? (1912.)

A. I don't know of any reason except their willingness to pay it.

Q. After the adoption of that law of 1912, you say now that each member that paid excess dues did it of their own free and voluntary will and accord, is that right?

A. Yes, sir.”

These conditions under which these dues were paid clearly show that those who paid the increased rates were not only willing to pay, but their payments under such conditions amounted to a waiver of any further claim to their return.

Where a member consents to an increase in rates

after his vote or payment of the same he is bound thereby.

Mutual Reserve vs. Taylor, 37 S. E. 854.

In order to make any dues returnable the contract of insurance must have been specifically broken, in which event all dues paid by the member to the association are returnable.

Supreme Council, A. L. H. vs. Black, 120 Fed. 580; 120 Fed. 650.

Where a mutual insurance company created by contract a guaranty fund of bonds and mortgages for the payment of losses which the funds of the company might provide insufficient to meet which for want of a charter to create it is void, the contract cannot be enforced by those to whom losses are due, though they became members of the association, relying on this fund, since by taking out their policies they became parties to the illegal contract.

Trenton Mutual Life Insurance Co. vs. McKelway, 12 N. J. E. 133.

Where a member of a benefit association pays assessments made by the grand lodge, under orders of the supreme lodge, on a different basis from that contemplated by the certificate issued to the member, he thereby waives any right which he may have had to object to the changed basis of assessment, and admits that such change was not inconsistent with his certificate of membership.

Steuve vs. Grand Lodge, A. O. U. W., 5 Ohio Cir. Ct. 471; 3 Ohio Cir. Ct. 231.

Certificate holders must promptly notify the order of their objections to increased assessments in order

to not forfeit their rights, and where they have consented to such change by payment of the increased rate their rights to recover are forfeited.

Fogg vs. Supreme Lodge, Golden Eagles,
33 N. E. 692.

Where a member of a beneficial association for seventeen months after his certificate was sealed from five thousand dollars to two thousand dollars, by a by-law enacted, paid reduced assessments, which were much less than he would have paid, for benefits of five thousand dollars, without making any protest indicating his dissent from the action of the society, he would be held to have assented thereto.

McCloskey vs. Supreme Circle, A. L. H., 96
N. Y. S. 347; 109 App. Div. 309.

If a member does not choose to pay the increased dues he may treat the contract as broken and sue to recover the full amount of dues which he has paid in.

Roehm vs. Horst, 178 U. S. 1;

Black vs. Supreme Council, 120 Fed. 58,
Affirmed 123 Fed. 650.

In regard to Exhibit D1 (Case, page 394), which it was claimed was sent out to each Circle and Home (subordinate lodges), there is no evidence to show that these letters ever reached the membership or that it was ever received by any subordinate body. This letter not only falsely states what the action of the Equity Court was as explained by then Vice-Chancellor Walker, in 85 *Atl.* 453, but it is in direct conflict with the order of the Court which was made at that time. A statement of this nature made by an individual is not sufficient to bind the association as

the association is the membership of it and the officers are merely their employees.

Therefore not only were these payments made either voluntarily or by virtue of some new contract, but the fact was that these funds were so intermingled with other funds by the Supreme Circle that they could not be earmarked or identified and could not be said to constitute a trust fund in preference to the trust fund constituted by the Reserve Fund.

POINT IV.

The signing of the authorizations or powers of attorney subsequent to July, 1912. (Known as blue and yellow slips.)

The signing of these authorizations or powers of attorney after the enactment of the law of 1912, constituted a new contract between the association and the members who signed them by which they agreed to pay the increased rate of dues.

Mr. Walter testifies (page 156, line 25):

“Q. And were these received by you?”

A. By me; yes, sir.

Q. I asked you if all members of Division 1 signed these slips?

A. To the best of my knowledge, I wasn't present when they signed them.”

(Case, page 157, line 10):

Question by Vice-Chancellor:

“Q. Well, Division 1 was a graduated scale division?”

A. Those who agreed to pay the increased rate of dues; yes, sir.

Q. What about new members, did they sign anything?

A. They would sign nothing; no, sir."

(Case, page 186, line 18):

"Q. Didn't the law of 1912 also provide for the division of members and funds?

A. Yes, sir; we did divide the funds, we did divide the membership into one and two divisions, we divided the funds and we divided the Reserve Fund, but upon the decision of this Court here we put the two together again."

These authorizations (Case, page 154, line 20), and (Case, page 156, line 17), were written authorities which were signed by each of the members of the organization, whereby they agreed to be bound by all laws governing the fund then in force and that may hereafter be enacted, that these laws at that time provided for the payment of the increased rate of dues and therefore the member who agreed to be bound by the laws then in force changed his contract and became liable for the payment of the increased rate.

POINT V.

Whether the payment of the so-called excess dues vested these moneys in the Supreme Circle, or did the membership still retain control over such funds?

The payment of the so-called excess dues under the laws in force and effect at the time the payments were made, and under the Poole and Park cases, and having been paid voluntarily, or under some new contract, agreeing to pay the increased rate, vested these moneys in the association.

These so-called excess dues were paid beginning March 1, 1910, when the law changing the rate of dues went into effect. The injunction in the Poole case restrained the Supreme Circle from expelling members for not paying the excess dues until the termination of that suit, for the class of members to which Poole belonged. The final decree in the Poole case set aside the increase as affecting this class of members. The law of 1912 divided the funds and members and re-enacted the law which went into effect March 1, 1910, increasing the rate of dues, this law was further amended in May, 1913, concerning the method of dividing the Reserve Fund.

No restraining order or injunction was made in the Park case until December 14, 1914, after the case had been dismissed by this court.

The members had immediately subsequent to July, 1912, signed the authorizations or powers of attorney in which their contracts were changed.

During all this time we have all the members who it is claimed are entitled to the return of the excess dues paying the increased rate. The payments therefore made under these conditions could not be considered excess dues.

If member deposits money to meet anticipated dues and assessments it must be applied thereon by the society.

Demings vs. Supreme Lodge, 20 N. Y. App. 622;

Demings vs. Supreme Lodge, 48 N. Y. Suppl. 649;

U. S. Mutual vs. Mueller, 37 N. E. 882;

Evarts vs. U. S. Mutual, 16 N. Y. Suppl. 27;

Logsdon vs. Supreme Lodge, 76 Pac. 292;

Dowlings vs. Knight Templars, 74 N. W. 725.

Over-payments made by a member should be applied by the society to dues and assessments subsequently accruing.

Supreme Lodge vs. Meister, 68 N. E. 454;

Supreme Lodge vs. Welsch, 57 Pac. 115;

Knight vs. Supreme Council, 6 N. Y. Suppl. 427;

Reynolds vs. Fidelis Lodge, 14 Pa. Super. Ct. 515;

Crompton vs. Pittsburg Council, 1 Pa. Super. Ct. 613.

The plaintiff in an action against an assessment insurance company to recover the amount of illegal assessments cannot recover the amount of any such illegal assessments paid by him with full knowl-

edge of all the facts nor can he recover any assessments paid voluntarily.

Condon vs. Mutual Reserve Fund Asso.,
42 Atl. 944;

Spengler vs. Spengler, 65 N. J. E. 176;

Spengler vs. Spengler, 55 Atl. 285;

Howard vs. Mutual Reserve Fund, 34 S. E.
199;

Howard vs. Mutual Reserve Fund, 45 L. R.
A. 853;

29 Cyc. 177.

In these cases the Court holds that **there is no rule of law requiring the return of dues paid under these conditions** and that **there is no rule of law under which they could be returned.**

The learned Vice-Chancellor in his conclusions (Case, page 274), said:

“To my mind this beneficial association at no time considered for a moment that these excess funds belonged to the association should it eventually be determined that the by-law could not be enforced as against all its members.”

There is no evidence we can find from which such a conclusion could be drawn.

The attitude which the Vice-Chancellor speaks of could not be said to be more than the attitude of one or more of the officers.

This is a mutual association, therefore the association is the members themselves and there is no evidence that they at any time considered that these excess dues should be returned. The officers were authorized to perform duties according to their by-laws, **they could not by their own action determine the course to be pursued or adopted by the associa-**

tion, in violation of their laws or the laws of this State.

The real attitude of the officers of this association has been in some way to get control over all the funds belonging to it, these so-called excess dues not excepted.

Their action in having this money transferred to others in the same association, their dissolution in this State, and going elsewhere, shows a disposition to take this and all other moneys out of the jurisdiction of the courts of the State of New Jersey.

On March 25, 1914, the trustees of the Supreme Circle called a meeting (Case, page 312, line 30), "of the officers of the Supreme Circle and several other members interested."

That at this meeting another association was formed for the purpose of taking over the so-called excess dues. A law adopted at this meeting provides that this new association shall be subject to the supervision of the trustees of the Supreme Circle, no investments shall be made or any moneys paid out without the approval in writing of the Supreme Trustees and they shall exercise the same control over the affairs of this association as they exercise over the affairs of the Supreme Circle (Case, page 315, line 6).

The control of these funds, that is, the bonds and mortgages comprising the Reserve Fund, never left the Supreme Circle. This new association is a part of the Supreme Circle and no one could belong to it except members of the Supreme Circle or Supreme Circle, Brotherhood of America. The trustees to whom the mortgages were assigned were mere figureheads for the Supreme Circle officers. The officers of the Supreme Circle as well as the trustees holding these mortgages are made defendants in this suit. (Case, page 16, line 26.)

The Supreme Circle as trustees of the Reserve Fund cannot deny the trust imposed upon them by the creation of the Reserve Fund.

A trustee is estopped from denying the title or estate of the person for whose benefit it was created and for whose use he holds it.

Associate Alumni vs. Theological Seminary,
49 N. Y. S. 745;

Associate Alumni vs. Theological Seminary,
57 N. E. 626;

Morris vs. Morris, 37 S. E. 570;

Sterling vs. Sterling, 79 N. W. 525.

If there is also a trust created in the trustees of the Supreme Circle by reason of the excess dues, the assignment of mortgage of the Reserve Fund being a trust perfectly created, to trustees under the control of the trustees of the Supreme Circle, does not place the fund beyond the control of the Appellant Receiver or give any legal right to the assignee.

On receiving title with knowledge that it is subject to a trust, and that it has been transferred in violation of the duty of the trustee, takes it subject to the rights not only of the *cestuis que* trust, but also of the trustee to claim possession.

Mansfield vs. Wardlow, 91 S. W. 859;

Skaggs vs. Mann, 33 S. E. 110.

The trustee continued to collect these dues from the members after the assignment of the mortgages, and paid them over to the Death Benefit Fund Association on up until after the dissolution on September 30, 1914, Exhibit C7, (Case, pages 379 to 386).

These payments show that the Supreme Circle not only had control over these funds after the assignment was made but that the Supreme Circle continued to collect the so-called excess dues after the date of the assignment of the mortgage.

POINT VI.

The authority for the assignment of mortgage, the action of the officers of the Supreme Circle and the matter of fraud.

The assignment of mortgage having been made without any consideration, and without any authority from the association to its officers and by the unlawful and fraudulent action of the officers, is void.

The assignment of mortgage was made without any consideration. (Case, page 109, line 27.)

Mr. Callingham testified there was no consideration from the trustees to whom these mortgages were assigned to the Reserve Fund.

There is no evidence of any authority having been given for the transfer.

The laws governing the Reserve Fund, which is a completed trust, says, "that no appropriation shall be made from the Reserve Fund, except for the payment of death benefits of members, and then only by a vote of the Supreme Circle at an annual or special session."

No subordinate circle or member gave any authority or did anything looking toward the execution of the assignment of mortgage except the powers of attorney. (Ex. D6, Case, page 407.)

Mr. Walter, on page 172, line 17, testifies:

"That nothing else was done except the powers of attorney by the members."

The facts concerning the powers of attorney show

that only a very small per cent. of them were actually signed by the members, they being for the most part merely typewritten sheets of paper with the names attached and on some of them at least were the typewritten names of members who belonged to different subordinate circles which were a great distance apart.

Vice-Chancellor Leaming says, (Case, page 278, line 16):

“This scheme, therefore, to secure the assent of the various members by returning this money seems to have been a signal failure.”

Where a voluntary association has raised a fund for certain purposes of mutual benefit, the majority of the members cannot, by their irregular action, contrary to the rules, divert this fund from the purposes of the trust, and distribute it among such of the members as may be willing to receive their proportionate share of it.

Kuhl vs. Meyer, 42 Mo. App. 474.

By carefully considering the testimony of Mr. Walter, beginning on page 172 of Case, line 21, to page 180, and also pages 227 and 228, of Case, we feel sure that this Court must find that there is a fraudulent attempt on the part of the officers to assign these securities and some agreement or collusion between the trustees of the Supreme Circle and the trustees to whom the securities were assigned. In considering this it must be borne in mind that the trustees to whom this fund was assigned or transferred, were members of the Supreme Circle, had held office or did hold office at the time the assignment was made and knew all the conditions which existed prior to the assignment.

We have heretofore referred to in Point V, that these funds never passed out of the control of the trustees of the Supreme Circle and with these facts, and the additional attempts on the part of the defendants to deceive the lower Court by representing to them that all of the powers of attorney were actually signed by the members, when in fact, they were not, constitutes fraudulent acts on the part of the defendants to obtain the entire fund to themselves.

The sale of the property of an incorporated society to a syndicate representing the majority of the members authorized by themselves is fraudulent as against the minority.

Balais vs. Brazeau, 56 Atl. 186.

In order to create a trust, there must be an absolute parting, on the part of the settlor, with the interest which has been his up to the time of the declaration of the trust, and specific property to be held by the trustee.

Taylor vs. Coriel, 66 N. J. E. 262.

Section 4, of the Statute of Frauds, provides as follows:

“That all grants and assignments of any trust or confidence shall be in writing, signed by the party granting or assigning the same, or by his or her last will in writing, or else shall be utterly void and of no effect.”

The Reserve Fund being an express trust as indicated by Point I, and having been completely created could not be changed, altered or modified either by the grantor, trustee, *cestuis que* trust, or Court.

Gulich vs. Gulich, 39 N. J. E. 401, and other cases cited in Point 1.

The fact that this assignment was made on April

9, 1914, two days prior to the entry of the order in the Park case by this Court, would seem to indicate at least that these securities were transferred in order to get them out of the possession of the Supreme Circle and that the taking of an appeal in this case to the Court of Errors and Appeals was merely for a delay and that before the recording of this assignment, to wit, at the meeting in New Haven, Connecticut, of the Supreme Circle, on May 12, 13 and 14, 1914, a resolution was adopted by it looking toward the dissolution and a further resolution toward incorporating in Pennsylvania and also reports from the Supreme Trustees that the Supreme Circle might soon become insolvent and have a receiver appointed for it, and the further fact of the dissolution having taken place prior to the determination of the Park case by the Court of Errors and Appeals, leads us to conclude as far as this Park case is concerned, as to what other steps would have been taken by anyone seeking to get the securities out of the possession of the Supreme Circle contemplating insolvency, than was done by the supreme officers, and that the appeal to the Court of Errors and Appeals of the Park case must have been for the purpose of delay until the securities could be gotten out of the funds of the Supreme Circle. **If the Park case had been reversed by this Court, we cannot contemplate why any such action as the assignments of the securities should have been made.**

So that the assignment having been made without any consideration or without any authority of the membership, laws of the order or the order of any Court, and to persons, members of the order, and under the control of the Supreme Circle, together with the fraudulent acts and conspiracy of the officers of the Supreme Circle, must be void.

POINT VII.

Return of excess dues by the Supreme Circle between March 1, 1913, and December 31, 1913.

If any excess dues were returnable they were paid.

Beginning about March 12, 1913, and continuing until October 29, 1913, the Supreme Circle paid back all excess dues, which all the members had paid in at that time, from the Reserve Fund. The total amount of excess dues returnable was \$105,924, and out of this amount \$100,549.98 was paid out of the Reserve Fund prior to December, 1913, for the return, as indicated on each voucher, of excess dues. These vouchers, (Ex. C6, Case, pages 316 to 370), were all paid by the Industrial Trust, Title and Savings Co., upon which they were payable, in cash, as shown by Ex. C13 (Case, pages 386 to 390).

Testimony of Mr. Callingham, expert accountant, on being shown pass books of Industrial Trust, Title and Savings Company in account with the Reserve Fund, Brotherhood of America. (Case, page 235, line 12.)

“Q. Does this pass book show that the vouchers which you are looking at now (Ex. C6) and which pay out \$100,000 and a few cents, were paid out of the Reserve Fund deposited in this bank?

A. Yes, sir.

Q. This pass book shows that these vouchers were paid out of the Reserve Fund?

A. Yes, sir.”

(Case, page 237, line 11) :

“Q. Mr. Callingham, when do I understand all these vouchers were made?

A. In the year 1913.

Q. Prior to January 1, 1914?

A. Yes, sir.”

(Case, page 240, line 11) :

“Q. All these vouchers appear to have been paid by the Industrial Company out of the bank deposit?

A. Yes, sir.

Q. Out of the Reserve Fund?

A. Yes, sir.

Q. Now, do the minutes of 1914 show that these mortgages upon which Judge Horner is suing to recover,—are still set out in that report or those minutes as a part of the Reserve Fund?

A. Yes, sir.

Q. They are?

A. Yes, sir.

Q. What page?

A. Pages 18 and 19.”

The testimony, Mr. Walter for defendants, (Case, pages 191 to 197), also shows the payment of these vouchers.

These vouchers were drawn to the order of the Treasurer, the Treasurer was present at the hearing and the Vice-Chancellor requested that he be called to explain, **but his counsel refused to call him**, stating that “**he wouldn't know anything about it**” (Case, page 234), and no explanation has been made.

The assignment of mortgage was not made until April 9, 1914, and recorded May 16, 1914, so that on

December 31, 1914³, the date of the report the securities must have been in the Reserve Fund.

Exhibit C14, Report of Treasurer on D. B. F., (Case, pages 391-392), shows that there was received by the Death Benefit Fund from the Reserve Fund \$103,330.64, the major part of which was paid over amounting to \$100,549.98 by the vouchers C6, and of this amount \$87,980.11 was paid out for excess dues to members, to which add \$24,000, previously returned, which makes the total of moneys received from the Reserve Fund.

POINT VIII.

The case of Calkins, Receiver, vs. Bump, Trustee, (79 N. W. 491; 120 Mich. 335).

In this case the Supreme Assembly of National Dotaire was a beneficial association of the State of Michigan. Under its by-laws it had created a certain death benefit fund, by which the members were required to pay in a certain sum monthly for dues and upon the decease of any member his widow or beneficiary would receive from the fund he had helped to create by the payment of these dues the sum of five hundred dollars.

After this association had been doing business for some years an endowment fund was created by the laws of the order, whereby the members could join the endowment and by making larger payments they would be entitled, to a sum not exceeding twelve hundred dollars, after the expiration of six consecutive years from the time they had become members of said endowment fund, or if such a member

should die at any time after ninety days after he became a member of this fund, his beneficiary would receive the sum of twelve hundred dollars.

The moneys which all the members had paid into this fund of the association as dues, upon condition that complying with the laws of the order concerning the making of these payments, etc., that their beneficiaries would receive at their death the specified amount, and all the moneys paid in on account of the endowment insurance, were all in one fund. These moneys were invested in bonds, mortgages and other securities.

The endowment death certificates were declared void as the association had no power to make or create endowment insurance.

Walker vs. Commissioner, 61 N. W. 512.

The result of this decision left the association with all the moneys paid in on the endowment certificates and on their ordinary death certificates in a common fund.

The association assigned all of its securities to the defendant in that case as trustee to pay back the moneys to the holders of the endowment certificates. That is, to return to them the moneys which they had paid in.

The defendant trustee holding the securities, claimed that the officers of the association had a right to transfer them to him to protect the endowment certificates or to return to their holders the money which they had paid in. The defendant also contended that they had a right to use the reserve fund of the order in returning to the members the moneys they had paid on the endowment certificates. This reserve fund was created as we have stated before for the specific purpose of paying

death benefits. The Court, in this case, set aside the assignment and ordered that the securities be turned over to the receiver. The syllabus of the opinion being as follows:

“Certificate holders of a benefit association contributed to a common fund, which was invested in securities, which the association assigned to a trustee for the benefit of certain holders, whose certificate had matured. Held, that a decree setting aside the assignment, and ordering the transfer of the securities to a receiver for distribution among all the members was proper, since the fund was a trust fund in which every member who contributed was beneficially interested pro rata to the amount of his contribution.”

The questions raised in this case are practically the same questions that are raised in the case now before the Court and if anything the above case does not so clearly define the reserve fund as does this present case.

POINT IX.

The question of interest.

Should this Court have to decide the matter of interest, we contend that no interest should be allowed.

1. Because no moneys could become due until after the decision of this Court in the Park's case, November, 1914.

2. A member cannot voluntarily pay money into an association and charge the association with interest on its return to him.

3. No demand was made for a return until the assignment was made (Case, pages 134, 136, 312 to 316), therefore, the association was always ready to return.

4. Voluntary or contractual payments were made, even after the assignment, up until dissolution.

5. The interest allowed by the lower Court, was from January, 1912, there is nothing in the testimony to warrant the fixing of such a date.

Where the duty of one receiving money on trust is to be always ready to pay it over whenever the beneficiary requests or is entitled to it, he is not chargeable with interest.

Straus vs. Gilbert, 83 N. E. 946;
39 Cyc. 422.

The cases cited in the opinion of the lower Court, notably *Agnew Co. vs. Board of Education*, 83 N. J. E. 49, 67, affirmed *Ib.* 336, 339, there is a decided point of distinction. In these cases the custodian had funds in his hands, which was due to some particular persons, and which was held by such custodian until it was determined which of the particular persons were entitled to it. In this time some profit accrued to the custodian.

In the present case, however, the custodian did not have any funds in his hands for anybody until the Court had determined the question of so-called excess dues. This was determined either in July,

1912, by this Court in the Poole case, or in November, 1914, in the Park case. If in July, 1912, the members waived all right to interest by continuing the payments, if in November, 1914, no interest could be due as this date is some months after the assignment.

The trust fund from which interest was paid is a trust fund for a specific purpose (cases cited Point I) and the members had not contributed any moneys thereto for interest.

The members who took advantage of the restraining order in the Poole case which gave them a right to pay or not pay during the pendency of that suit surely could not have been required to pay interest on the amount of excess dues they did not pay, if the case had been decided in favor of the association.

The established rule concerning interest is as the Vice-Chancellor has said in this case, "that where one person holds money of another, which it is the holder's duty to pay to the other, interest will be allowed from the time, and only from the time, the duty of payment arose; and I think the great weight of authority supports this view." "In this view no interest could be allowed."

POINT X.

The matter of costs.

The failure to allow costs to the appellant in the lower court was against the equitable principles involved.

The action of the Supreme Circle officers in making this assignment of mortgage and the conditions existing at that time, both as to the laws of the order and the decisions of the Courts of this State, made it incumbent on the Receiver to bring this suit in order to protect the estate. In the lower court, it appeared that the Supreme Circle contention was not sustained. They denied in the pleadings that anything was due Receiver. The fact is that twelve hundred dollars for interest was declared due by the lower Court.

In the case of *Reilly vs. Fithian*, 64 N. J. E. 260, the Court seems to indicate that a denial of there being anything due by the defendants when in fact there was something due suggests consideration concerning the allowance of costs in favor of the complainant.

The following cases hold that the prevailing party is entitled to costs.

Hal Dig. 240, Paragraph 3;
Cammann vs. Traphagen, 1 N. J. E. 230;
Buckley vs. Corey, 1 N. J. Eq. 505;
Loose vs. Obrey, 22 N. J. E. 52;
Reilly vs. Fithian, 64 N. J. Eq. 260.

I have made careful search of all the New Jersey cases relating to costs and cannot find one instance where a party has even been successful in part, that costs have been charged against him and in practically every case costs have been allowed unless the prevailing party has been guilty of some error or mistake or has caused voluminous record.

Ruckman vs. Ruckman, 33 N. J. E. 355;

Yard vs. Ocean Beach Asso., 49 N. J. E. 306.

POINT XI.

The opinion of the Vice-Chancellor.

The decision of the lower Court was based on three assumptions of fact:

1. That the moneys paid in the Reserve Fund by the members to create a fund for the payment of death benefits to widows, orphans, beneficiaries of members, was not a trust fund.

2. That the so-called excess dues never belonged to the Supreme Circle.

3. That the assignment of the mortgages placed the funds beyond the control of the Receiver.

If any one of these three assumptions are not facts, then a decree should have been entered in favor of the Receiver, Appellant in the lower court.

The matter of the Reserve Fund being a trust fund has been argued under Point I and Point VIII, the

case of *Calkins vs. Bump*, 79 N. W. 491, and we have no doubt but that this must be entirely clear to the Court.

The matter of the so-called excess dues vesting in the Supreme Circle has been fully argued in Point V.

The argument in the matter of placing these funds beyond the control of the Receiver has also been advanced in Point VI.

The first of these facts has wholly been disregarded by the Vice-Chancellor and the other two decided adversely to appellant's claim.

On page 281 (Case), the Vice-Chancellor says, "If trust money should be paid to me, money in which I had no right except as custodian, and should by me be deposited in my bank with my own money, there can be no doubt of my right as an individual or as a corporation, as against my creditors, to draw a check upon those funds, those funds in bank, and restore to my *cestuis que* trust the money which belongs to him." He does not mention the trust created by the Reserve Fund. He does not say in the above citation that he could take moneys out of another trust estate he may have had in his hands as trustee, a trust fund which had been perfectly created and earmarked, and restore it to this *cestuis que* trust.

The reasoning of the learned Vice-Chancellor on the matter of trust estates is not at variance with the argument advanced by this brief, except that we contend that the same argument or reasoning he gives to the trust fund of excess dues, should have been applied to the trust fund which was created in the Reserve Fund, for a specific purpose of paying death claims, that the Reserve Fund was entitled to first consideration.

CONCLUSIONS.

The record in this case will establish to a certainty the several reasons of appeal and the several points advanced by the appellant for a reversal of the decree entered in the lower court.

I submit, therefore, that on the appeal herein the final decree of the Court of Chancery should be reversed to the end that an order may be made directing the defendants-appellees to assign and transfer the securities set out in the pleadings in this case to the Appellant Receiver.

Respectfully submitted,
OSCAR B. REDROW,
*Solicitor for and of Counsel
with Complainant-Appel-
lant.*

CONCLUSIONS

The results of the present investigation... indicate that the... of the... in the... of the... is... and... in the... of the... is... and... in the... of the... is... and... in the... of the... is...

ALLAN H. HENNING

Department of Chemistry
University of California
Berkeley, California

NEW JERSEY COURT OF ERRORS AND APPEALS.

BETWEEN

JOHN G. HORNER,
Compl't, Appellant,

AND

GEORGE W. HEINECKE, ET AL.,
Respondents.

ON BILL, ETC.

BRIEF OF

RESPONDENTS.

COUNTER STATEMENT OF FACTS.

The Brotherhood of America is a secret, fraternal and beneficial order organized about sixty-five years ago, and incorporated under the Benevolent Society Act of this State. It is composed of local or subordinate Circles, which is the original source of membership; Grand (State) Circles, composed of representatives of the local Circles, and the Supreme Circle, composed of representatives of the Grand Circles. The Supreme Circle in 1890 organized a Death Benefit Fund for the members of subordinate Circles. The dues or assessments for the fund were collected by the local Circles from their members and forwarded to the Supreme Circle and the Death Benefit was paid by the Supreme Circle to the beneficiary through the medium of the local Circles.

In 1909 it changed its rate of dues from a flat rate of 50 cents to one graded upon age, increasing the rate to take effect March 1, 1910. Application was made to the Court of Chancery for a preliminary injunction to restrain the increase. The Chancellor restrained the expulsion of members for refusal to pay the increase, but said, (p. 112):

"The members may pay the same and such payments will be regarded as made under protest, without formal protest being entered, so that if the suit shall be finally determined in favor of the complainant, the whole class will receive the benefit of the payments."

A preliminary injunction was issued restraining the expulsion of members who did not pay the increased rate of dues, but did not stay the collection of the same. (P. 393.)

The Supreme Circle collected the dues through the medium of local Circles, who forwarded the money to the Supreme Circle in bulk.

The Supreme Circle, before any payments were made, issued a letter to all the local Circles of the fund, in which it said, (p. 121):

"Litigation has been commenced in the Court of Chancery of New Jersey seeking to prevent the enforcement of the present Death Benefit Fund Law. The Court has refused to restrain the enforcement of the law at this time. You will therefore insist upon the payment of the new rate as prescribed by the Supreme Circle. If the action of the Supreme Circle, upon final hearing of the cause, is not sustained, the excess will be refunded to the members." (Ex. D., p. 394.)

The Supreme Circle collected the increased dues in controversy under these conditions. The case (*Poole vs.*

Supreme Circle, 85 Atl. Rep., p. 821) went to final hearing and the increase of dues was held to be illegal, and this decision was affirmed by this Court June 20th, 1912. (*80 N. J. Eq., p. 259.*)

The Supreme Circle met on July 30th, 1912, and passed a resolution directing its officers to repay to the several members the excess dues that had been paid. (p. 43.) 83

A further attempt was made to adjust the dues in question by creating two classes—one paying the graded rate of dues, the other the flat rate of 50 cents; each member to elect which he would accept, the fund in hand to be divided in the same proportion. This was taken into court and an injunction adverse to the plan was granted. (*83 N. J. Eq., p. 131.*)

Many of the members who were paying the graded rates organized an independent association and elected the defendants Trustees to receive for them their part of the excess dues. These dues were collected by the Circles and forwarded to the Supreme Circle in bulk each month. The various Circles obtained from their members directions to pay the excess dues to the Trustees; in some instances they sent the actual signatures of the members; in other cases they sent in the names of the members under the certificate of the Circle; in a few instances they sent in the names of the members without certifying to them. (P. 223.) Since the transfer all of the members have been paying their dues to the Trustees, thus ratifying the action of the Circles. (P. 145.)

The funds of the Supreme Circle were still invested for the most part in bonds and mortgages, in the name of the Supreme Circle. (P. 26.) These Trustees agreed to accept the mortgages in lieu of money in payment of the excess dues. The amount due on their account was

\$87,678.72; the difference between this sum and the face of the mortgages, \$900.67, was paid by the Trustees to the Supreme Circle in cash. (P. 149.) The balance of the excess dues collected, \$24,695.00, was paid in cash to the members entitled to receive it, through their various local Circles from whom it had been received. This adjustment was most advantageous to both parties in that it saved considerable sacrifice in the collection of the mortgages and any further delay in making the settlement. The settlement was reported to the next annual meeting of the Supreme Circle and unanimously approved. (P. 151.)

A careful account of the excess dues was kept so that it was possible at any time to ascertain the amount due to each member. The money was used in the payment of death benefits as they came due. Instead of selling the mortgages for this purpose, the money was used and the mortgages took the place of the money.

By this method all the money was kept invested. (P. 125). In the return of the dues interest was allowed on the payments as made from the time the Court of Chancery decided the Supreme Circle had no right to collect the excess dues, March, 1912, to the time it was refunded. The correct amount is agreed to be \$6,544.18. At the final hearing it was found that on the basis upon which the interest was calculated there was still due on the mortgages the sum of \$1,211.80, which the Trustees at once paid over to the Receiver.

On the first day of October, 1915, the Supreme Circle availed itself of the statute and voluntarily surrendered its charter. (*Com. State., 128, Sec. II, p. 310.*)

Application was then made for the appointment of a receiver for the purpose of winding up the business of

the former corporation. (P. 302.) The company paid all debts up to that time and turned over the balance of \$3,00.00 to the receiver.

The by-laws of the society provided that five per cent. of the receipts should be set apart for a Reserve Fund to be used in paying death benefits, and then only on the order of the Supreme Circle. (P. 97.) This fund was further increased by the addition of surplus receipts from time to time and interest items. (P. 126.) On the 31st day of July, 1912, the Supreme Circle met in special session and ordered the withdrawal of so much of this fund as might be necessary to pay death losses and the excess dues that had already been used for that purpose.

The Society adopted a further by-law dividing its members into two classes: first, those paying a flat rate of 50 cents, and second, those paying dues graded on age, and directed the division of its funds, the members to elect which class they would enter.

The Vice Chancellor, in a very exhaustive and well considered oral opinion, dismissed the bill.

ARGUMENT.

The money in controversy is the excess dues paid by members of the beneficial society—that is, the amount between what they paid and what by law they were required to pay. They were received by the society upon the expressed condition that if they should be lawfully collected they were to be received as dues; if they could not be lawfully collected they were to remain the money of the member and to be returned. The result of the Poole case determined that they could not be legally collected, and therefore the money remains a fund in the hands of the beneficial society for the benefit of those

who had paid it. It was never the property of the society, and it having the money, a trust necessarily arose in favor of the real owners. The fund was collected as excess dues under the change of by-laws of the society, which took effect March 1, 1910. They either had the right to collect it under that law or it must go back to the members. Subsequent proceedings may have delayed its return; it did not change the relative rights of the parties in the transaction.

In following trust money, invested by a person to whom it was entrusted, it is immaterial whether he was an express trustee, an agent, bailee, collector of rents or anybody else in a fiduciary position.

Thompson's Appeal, 10th Harris, p. 16.

Dyer vs. Dyer, White Tudor Lead. Cases, p. 250.

Hill on Trusts, p. 148.

The society collected the funds in question and used them in the course of its business in paying death claims, for which purpose the mortgages were held. The advantage of this is obvious. If they had laid the money aside it would only have been drawing two or three per cent. interest, and they would have been compelled to have sold the mortgages in controversy to pay their claims, at a sacrifice of considerable interest and expense, and possibly delay in collecting their mortgages. At the end of the transaction the mortgages would not have been held by the society, and the trust fund would have been comparatively unproductive. So the society, as a matter of prudent business judgment, adopted a course which would produce the best result. They made use of the trust fund in paying their death benefits, and when it was determined that the fund must be returned they made

use of the mortgages in returning the trust fund. Their accounts were kept in such a shape that it was easily ascertainable just how much was to be returned and this amount is no longer in dispute. Both sides agreed that the amount returned, to wit, \$113,595.15, was the correct amount.

It is now so well settled as to be no longer a matter of dispute that when the trustee makes use of the funds in his own business, the property into which the funds may be invested takes the place of the fund and becomes charged with the trust.

Hill on Trustees, 91.

Perry on Trusts, 127.

In re Hallett's Estate, 13 Ch. D., 696.

Shaler vs. Trowbridge, 1 Stew., 595.

It may be said that the trust money is like water running into the general mass and becomes amalgamated, and therefore the cestui que trust has no lien; but clearly this cannot be maintained, for suppose a trustee, partly with his own money and partly out of the trust funds, should have purchased an estate, it cannot be predicated, in any particular part of the estate, that it was purchased with the cestui que trust money and yet the cestui que trust is a lien upon the whole amount which was misemployed. And it follows in the other cases that though the identical piece of coin cannot be ascertained, and yet there is so much belonging to the trust in the general heap the cestui que trust is entitled to take so much out.

Lewin on Trusts, Vol. 2, p. 894.

Perry on Trusts, Vol. 2, p. 1076.

Smith vs. Coombs, 4th Dick., 420.

Standish vs. Babcock, 7 Dick., 628.

Upon a similar principle, if a surviving partner, being the executor of a deceased partner, continue the testator's capital without authority in his trade, though the capital may consist only of the stock and debts of the partnership, and these may undergo continual changes, yet the Court follows the trust capital throughout all its ramifications and gives to the beneficiaries the fruits derived from that capital so altered and changed.

Lewin on Trusts, 894.

The society at the time of the assignment of the mortgages was solvent. It paid all its indebtedness before surrendering its charter and turned over a balance to the receiver, who was appointed to wind up its affairs. The receiver says that a number of claims have been made, but they are all for indebtedness arising at least six months after the assignment in dispute. However, it is immaterial, the fund should never go to the receiver because it never belonged to the Supreme Circle. It was paid in upon a condition precedent which could not be performed, and therefore remained the property of those who paid it.

Smith vs. Coombs, 4 Dick., 425.

Hock vs. French, 81 Eq., 120.

It is well settled that an implied trust will be enforced as against the general creditors of the resulting trustee.

Am. Enc. of Law, Vol. 15, p. 1202, and the numerous cases therein cited.

2 Lewin on Trusts, 907.

Allen vs. American National Bank, 52 N. Y., 1.

This in no wise does any injustice to any party because the money was not contributed for the general use

of the society. It was contributed with the distinct understanding that everybody else was to contribute a like sum. If this had been done the trouble would not have arisen; as it could not be done, the right to the money never passed from the contributors, and those who ~~generally~~ contributed have no equitable claim upon it.

The learned Vice Chancellor, in delivering his opinion in this case, has properly said, "I gave this question what I thought to be mature consideration when the preliminary application was heard in this present suit, and it now seems to me, after listening to the argument of counsel, that payments made without formal protest, as the Vice Chancellor in his opinion said, might be, so far as those payments exceeded in amount the rates charged before the by-law was amended, should be regarded as involuntary payments in a society of this nature, and that money so paid, that in the event of an adverse decision touching the legality of the by-law, in no sense inured to the benefit of the beneficial society, but retained its character as money of the member who advanced it under the new, but invalid, by-law. Every reason seems to me to exist for such a conclusion."

The society had in its individual name, free from any reference to trust, in any way, the mortgages in controversy. When it was finally decided that the money be returned, it was its duty to return it. Most of the money was now in the mortgages, so that it would be necessary for them either to dispose of the mortgages in order to return the money or turn over the mortgages. A large number of those entitled to receive back this money organized a voluntary association and appointed Trustees to represent them and to receive for them the several sums of money so due to them. The reason for this is

clear; there were over 9,000 of these members; the mortgages could not be assigned to all of these people, and as they were unincorporated it was necessary to have Trustees to take them for them. The Trustees agreed with the association to accept the mortgages in controversy. The fund, being a trust fund, it was the duty of the society to set it aside and pay it over to those entitled to it. This was done in the manner proposed. It is immaterial for present purposes whether the Trustees represented all of the parties or not. The society had a right to set aside the trust fund and to turn it over to a trustee to hold the fund, particularly as they were appointed by the real owners. The question not being a question of trustee, but one of trust entirely. If by any inadvertance anybody was included in the list without authority, they undoubtedly could follow the fund in the hands of the Trustees and get their money. In the collection of these funds the society knew only the local societies. They certified to the supreme society the amount of money due from each member, and that society collected from the members these excess dues and forwarded them to the Supreme Circle, the Supreme Circle giving credit to each member for the amount so paid. When it came to the question of returning the money, they pursued the same course. The excess dues which were paid in cash were paid over to the local society from whom it was received, by them to be distributed to their members.

The local societies returned to the supreme society powers of attorney to pay the sum in controversy over to the Death Benefit Fund Association; some of these powers being signed by the members themselves, others with the names signed in typewriting, and the local so-

ciety, through its secretary and under its seal, certifying to its correctness. A few names were returned by some societies without any certificate. The Vice Chancellor erred in his figures in this respect. The number whose powers were signed by the members is 1,744; the number certified as being correct by the local societies under their seals is 5,620, and the number returned without any certificate is 1,339. When the money was paid a receipt was furnished showing from whom and for whom it was received, and the amount paid. These facts are undisputed. It having been ascertained definitely who were entitled to the return of the excess dues, the society was in duty bound to pay them over to the members or their appointees, and in turning them over to the Trustees for the benefit of the owners of the fund, they were but complying with their orders.

The transfer of the fund over to the Trustees was of no real importance and did not change the character of the fund. It mattered not how many transfers or changes may have been made, this did not change the real owners, and it was impressed at all times with the same trust. It mattered not in whose possession it may have been placed. The new Trustees held it by the same title as did the old trustee. What was then done was accepted by all the members. The members, whether they signed the powers or not, accepted and verified what had been done by paying their dues to the Death Benefit Fund Association and continuing in full membership therein. (P. 145.)

The society in its law provided for a Reserve Fund for the uses of the fund. The society met on the 30th of July, 1912, in Philadelphia, and passed a resolution directing the Trustees to withdraw so much of this fund

as might be necessary for the purpose of paying losses, and all of this money was so used so that the Reserve Fund, as it was called, was used entirely for the payment of losses. The account was one of bookkeeping entirely, the mortgages not being taken for any particular fund or assigned to any particular fund, but were owned and controlled by the society in general. After the assignment of the mortgages, before paying the excess dues, the report was made to the Supreme Circle and the action of the officers, and there was no attempt in any way to make use of the fund for any other purpose than that for which it was created.

THE QUESTION OF INTEREST.

In paying over the money the society paid interest at the rate of five per cent. on the fund from the time the several amounts were received, after the Chancellor had decided that it had no right to collect the money until its actual return. The proof shows that during all this time the money was invested and was drawing more than five per cent. interest, and under the well settled authorities in this State the Chancellor allowed the interest. The amount of interest actually earned by the money is agreed upon by the parties in this case. The right of the cestui que trust to receive it is the only question before the Court.

If the Trustee was to be allowed to retain this interest he would be making a very large profit out of his trust. No claim was made for any interest except what was actually earned.

It is well settled in this State that a trustee cannot make any profit from the trust fund, and where the money is invested he must pay over the interest received.

Where the city is enjoined from paying the amount due on the contract for the construction of a high school building, of which the city has had the benefit until the determination of liens filed against the fund, the city is liable for interest on the amount unpaid at a rate conformable with a rate that they would be compelled to pay to borrow the amount, as was their custom.

Agnew Co. vs. Paterson Board of Education, 83 Eq., p. 49. Afterwards confirmed by this Court.

Of the same effect is the opinion of Chancellor Magie in case of *Board of Frecholders vs. Veghte*, 7th N. J. Law Journal, 145.

One of three partners cannot relieve himself from paying interest pending the adjustment of the claim, if it appears that he has used the money for his own purpose.

Cottington vs. Idell, 30 Eq., 450.

McKnight Executors vs. Walsh, 23 Eq., 136.

Voorhees vs. Stoothoff, 6 Housted, 171.

Sillech vs. French, 1st. Conn., 32.

THE QUESTION OF COSTS.

Final hearing it was ascertained that the society in calculating its interest had paid \$1,126.15 more than they should rightfully have paid, and this money was directed to be returned. It was paid over to the Receiver before the final decree was entered. Under the circumstances the Chancellor refused costs to either side upon the principle that where both sides succeeded in part no costs should be allowed.

It is settled in this State that both at law and in equity where each party succeeds in part, neither is en-

titled to costs. This matter is fully considered by Chancellor Walker in *Diocese of Trenton vs. Toman*, 70th Atl. Rep., p. 881, and the cases there referred to.

Camden R. Co. vs. Stewart, 19 N. J. Eq., 343.

Fairchild vs. Hunt, 14 N. J. Eq., 367.

REPLY TO APPELLANT'S BRIEF.

1. The fund in controversy, never having belonged to the Supreme Circle, could not be charged with any other trust. The funds in the Reserve Fund were preserved for the purpose of paying death benefits and were strictly used for that purpose. The Supreme Circle, July 30th, 1912, passed a resolution directing the withdrawal of the Death Benefit Funds to pay the losses, and where the excess fund was used to pay losses instead of the Reserve Fund, the money was restored. The cases cited by counsel are familiar principles not applicable to this case.

2. Counsel seems to misunderstand the Poole case. The clear meaning of Vice Chancellor Walker in that case was that every member who paid excess dues was to be presumed to have paid them under protest and to be entitled to its return in case they were unlawfully collected. The Poole case decided that the Supreme Circle had no right to collect the excess dues. The law was good for all or bad for all. It never thereby intended to charge the rate of dues to some and none to others. To do so would create an inequitable law when none was intended. The Circle then attempted to establish two classes and divide their assets. The Park case said that this could not be done. Likewise, this rule

was either good for all or bad for all, and when the Court set it aside, it set it aside for all members.

3. The condition under which the excess dues were paid is very clear. The Vice Chancellor said they were to be paid under protest, and the Supreme Circle in collecting them said, "if we have no right to receive them, we will return them." Subject to these conditions, the money was cheerfully paid, and nobody regretted that it could not lawfully be collected more than the members themselves. But when several persons enter into a mutual transaction whereby they agreed to contribute in equal proportion, it is inequitable to say that it should be enforced against some and not against others. It is immaterial whether the notice sent out by the Supreme Circle, under which it collected the excess dues, reached the members or not, although the strong presumption is that it did. The Supreme Circle collected the money upon the representation it then made, and is bound by that representation.

4. The powers of attorney, represented by the blue and yellow slips, were signed under the circumstances set out and reviewed in the Parks case, and when that case enjoined the Supreme Circle from enforcing the law it failed and the blue and yellow slips of powers of attorney became void.

5. This is sufficiently answered by the Vice Chancellor in his opinion. The society never considered it was the owner of the excess dues so long as it could not perform the condition.

6. The Supreme Circle, by resolution July 30th, 1912, directed its officers to return the money which was in-

vested in the mortgages, and it subsequently met and ratified and approved what the officers had done in assigning the mortgages. This is a sufficient authority.

7. All of the vouchers referred to in this point were drawn on the treasurer to his own order to transfer the funds from one account to the other, and all of the money was thereby placed in the general fund. There is not a single voucher showing the payment of the money in question to any other person, and the statement is made to confuse the Court. Exhibit C14 shows exactly how the money was transferred and what was done with it, and the balance remaining after the payment of all the death benefits and the return to the members of the excess dues.

8. The case of Calkins vs. Bump is in no wise a parallel case to the one in hand. An attempt was made to transfer funds that had been contributed by all the members to a portion of them only, and the Court said that the fund must be returned so that there could be an adjustment among all the parties on a fair accounting, since the fund was a trust fund, in which every member who contributed was beneficially interested pro rata to the amount of his contribution. In the case in hand the money was returned under an express agreement to the exact amount that each member contributed.

9 and 10. The question of interest and costs is already covered by respondent's brief.

Respectfully submitted,

JOHN F. HARNED,
Solicitor for and of Counsel
with Respondents.

NEW JERSEY COURT OF ERRORS AND
APPEALS.

Between

JOHN G. HORNER, Re-
ceiver, etc.,

Appellant,

and

GEORGE W. HEINECKE,
et al.,

Respondents.

REPLY TO BRIEF OF
RESPONDENTS.

REPLY TO BRIEF OF RESPONDENTS.

The *Statement of Facts* of appellant are not denied by the *Counter-Statement of Facts* of the respondents. But the respondents have not in their counter-statement of facts correctly set forth the true situation.

On page 2 of respondents' brief, in quoting from V. C. Walker's opinion, he stops in the middle of a sentence, thereby giving the quotation a different meaning. The quotation should read: "The members may pay the same, and such payments will be regarded as being made under protest, without any formal protest being entered, so that, if this suit

shall be finally determined in favor of the complainant and the class he represents, the whole class will receive the benefit of the payment *by having credited the overplus to future accruing dues.* (See 85 Atl. at page 454.)

The order entered on this opinion (Case, 393), restrains the expulsion of members for failure to pay the increased dues. We contend the order of the Court is the ruling power.

The quotation on page 2, from Exhibit D1 (Case, 394), is likewise erroneous and misleading, and a direct contradiction of both the opinion of V. C. Walker and the order entered thereon.

On page 2, respondents' brief, "The Supreme Circle collected the increased dues in controversy under these conditions." The fact is, these dues were voluntary payments (Case, 165-185), and the matter in controversy is the Reserve Fund. The decision in the Poole case in the lower court and in this court was that the Supreme Circle could not change the rate of dues of Poole and the class he represented.

On page 3, respondents state that "Supreme Circle on July 30, 1912, passed a resolution directing its officers to repay to the several members the excess dues that had been paid" and quotes (Case, 43). This is merely an allegation in respondents' answer.

On page 3, respondents state that "Many members organized an independent organization." Exhibit C5 (Case, at page 312), shows that twenty members and officers on March 25, 1914, formed this new association. The appeal in the Park case from the opinion (83 N. J. E. 131), was not dismissed by this Court until November 18, 1914.

"This scheme, therefore, to secure the assent of

the various members by returning this money seems to have been a signal failure." V. C. Leaming (Case, 278, line 16). There is nothing on page 223 (Case) referring to these so-called *directions*, neither have we been able to find them elsewhere in the case.

The statement on page 3 of respondents' brief, "Since the transfer all of the members have been paying their dues to the trustees, thus ratifying the action of the Circles" is false and misleading. The members continued to pay their dues to the Supreme Circle and the Supreme Circle by vouchers set forth in Exhibit C7 (Case, 379), transferred them to the Death Benefit Association.

On page 3, of respondents' brief, the statement, "The funds of the Supreme Circle were still invested for the most part in bonds and mortgages," should read "*The Reserve Funds* of the Supreme Circle, etc.," as there were other funds than the *Reserve*, which were not invested in bonds and mortgages. No proof of the statement "that \$24,695 was paid in cash to the members, through their various local circles" appears in this case. The annual meeting of May, 1914, when the Supreme Circle voted to dissolve, the report of the trustees was adopted by a vote of some seventy members of a total membership of about eighteen thousand members.

On page 4, of respondents' brief, the statement, "The correct amount is agreed to be \$6,544.18," referring to interest allowed is incorrect. The appellant agreed that the interest on the excess dues collected, from January 31, 1912, to April, 1914, was \$6,544.18 (see Stipulation, Case, 288), but the appellant did not agree that interest should be calculated from that date, or March, 1912, as quoted in re-

spondents' brief. There is no foundation for either date.

The receiver was appointed (Exhibit C1½, Case, 302), on the application of William J. McClain and not on the application of the Supreme Circle.

The respondents again misquote the facts on page 5 of their brief. The fact is that the by-law quoted on page 97 (Case) is the law of 1912 as amended in May, 1913, this law according to defendant, respondents' whole contention is void. *The law which created this Reserve Fund is to be found on page 83 (Case) and reads as follows:*

Section 20, on page 183, provides, "Five per cent. of the monthly receipts shall be added to the Reserve Fund, the same to be deposited in banks or trust companies paying interest, said depositories to be designated by the trustees, or to be invested in such manner as the Supreme Circle may direct. No appropriation shall be made from the Reserve Fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle, at an annual or special session."

The resolution of July 31, 1912, authorized the withdrawal of money from the Reserve Fund to return excess dues, and not death losses.

Reply to Argument of Respondents.

The matter in controversy is *not* the excess dues paid in by members, *it is the transfer of the securities of the Reserve Fund, a perfectly created and identified trust, and an attempt to place them beyond the reach of the receiver and the laws of this State.* The matter or theory of excess dues has been advanced as a method of accomplishing this objective.

There was never any express condition that these so-called excess dues would be returned. Chancellor Walker said in the Poole case "that such surplus shall be applied to future accruing dues" in the event of the case being decided against the society. The order entered on the injunction did not say they would be returned. The Poole case was decided against the society in July, 1912, by this Court, but these members continued paying these dues for over two years afterward, until October, 1914. There was never any opinion, order, decree or injunction made after the decision of the Poole case, in July, 1912, restraining the Supreme Circle from collecting the increased dues as provided by their law of July 30th and 31st, 1912. The members continued after July, 1912, to pay these dues, they paid them for twenty-seven months, for some six months after the assignment was made. Therefore these dues must have been paid under some change of contract by the members paying the same, or made voluntarily. They did vest in the association. (See Point V, of Brief of Appellant, page 24.)

Mr. Walter testified on direct examination (Case, 133, line 9) :

"Q. Did you collect some excess dues from members who demanded it back in cash?

A. Not after the final decision of the Court, in June, 1912.

By the Vice-Chancellor :

Q. That was the Poole case?

A. Yes, sir."

There was no demand for return of dues by the members. By their new contracts or voluntary payments there could have been no return. They had agreed to pay a new rate. The money had become

vested in the Supreme Circle. There was never any thought of returning any excess dues until the corporation decided to leave this State. Its return must be inequitable, and opposed by the laws of this Commonwealth. It is highly improbable that if this society had any idea of returning these moneys, possessing the great business judgment or acumen they would have us believe the officers possess, they would not have used this money but would have kept it intact. They could and would have done this for their own protection. They could and would have invested it for perhaps a greater return of interest. *The defendants below base their return of dues on the Poole case. Chancellor Walker nor this Court never said that the dues would be returned.* They didn't return the dues after this case was decided, but continued to collect more dues at the increased rate for over two years. They never returned the excess dues to the members. These identical securities are under the control of the defendants for the use of a new corporation in Pennsylvania.

The officers of this society are merely custodians of the funds paid in by all the members. The funds are paid in for a specific purpose. The officers are bound to pay out this money according to the laws of the order or of this State. They cannot pay out moneys from a trust fund created prior to the advent of so-called excess dues for the return thereof. They cannot prefer the claims of return of dues to some members, over the members who created the fund. (See cases cited under Points I, III, V, and VIII of appellant's brief.) Any other application of the law would be inequitable to the vast number of members who created the fund.

The respondents state in their brief on page 9, "The society had in its individual name, free from

any trust, in any way, the mortgages in controversy." The mortgages were investments of the Reserve Fund, a perfectly constituted trust.

The evidence of respondents' own witness, Mr. Walter, the testimony of Mr. Callingham and Exhibit C1 (Case, 300), show that the identical mortgages were investments of the Reserve Fund prior to 1909 and appear in the yearly journals from that time or prior, up to and including the journal of 1914, as such investments. The answer of the defendants in the court below at page 45 (Case) admits these facts.

The statement of "a large number of those entitled to receive back this money" refers to the meeting of the 20 members (Case, 312), and should not be confused with the statement "there are over 9,000 of these members" immediately following. These 20 members were the society's officers and also the trustees to whom the securities were assigned. These 20 members could not assign the securities to themselves, yet this is what they did. The setting aside of this was not an act of the society. There was no authority from it for such action.

It cannot be the law of this State that 20 members of a society can transfer a trust fund of some \$90,000, belonging to some 18,000 members, to 3 of their number for the benefit of only part of the 18,000 members. Counsel says, "It is immaterial for present purposes whether the trustees represented all the parties or not." These trustees represented 20 members of which they were 3. They represented the persons who executed the assignment (Case, 26-313). *That they represented all the parties is material to this case, as the transfer is claimed to have been made for the purpose of returning excess dues to all the parties.* The fact is they represented themselves and 17 other members.

Respondents' brief at page 10, says that the respondents were appointed by the real owners. The real owners were the whole membership. The trustees were appointed on March 24, 1914, at the meeting of the 20 members of which they were 3 (Case, 316).

Respondents then say on page 10, "The local societies returned to the Supreme Society powers of attorney to pay the sum in controversy over to the Death Benefit Fund Association." The local societies did not, nor did the individual members give any power of attorney to transfer any funds. These powers of attorney are fully explained in the Case (pages 173 to 179). Some few were actually signed, by the members, about one thousand, the rest were merely the typewritten names of men who may or may not have been members. Some of the sheets included several hundred names, some of the names would appear to be from a local society in Central Pennsylvania, on the same sheet with a Philadelphia society, and a society from Millville, that is, on one sheet there appeared the names of supposed members from three or more local societies, each being a great distance from the other, none were received prior to the assignment of the mortgage. The Vice-Chancellor said, "This plan," referring to the powers of attorney, "to secure the assent of the various members to this transfer was a signal failure." The statement in this paragraph that "These facts are undisputed" is without foundation (Case, 173 to 179). Their own witness denies the facts by them alleged.

The respondents say on page 11, of their brief "The transfer of the fund over to the trustees was of no real importance and did not change the character of the fund." *The basis of the whole case as*

we understand the Vice-Chancellor's opinion was that the fund had been transferred. If the funds had not been transferred they would now be in the hands of the receiver for proper distribution and not in the hands and under the control of some foreign society. The laws of this State created this society, and the laws of this State should distribute its funds, according to its law, on dissolution and insolvency. The transfer was for the purpose of getting the funds out of the jurisdiction of this State and should not be tolerated.

In this same paragraph they say that the members paid their dues after the assignment to the Death Benefit Association. Mr. Walter, their witness, on direct examination said they made such payments, but on cross-examination (Case, 180), he said the money was paid to him as Scroll Keeper of the Supreme Circle and turned over by the Supreme Circle to the Death Benefit Fund. The vouchers, Exhibit C7 (Case, 379), shows that these dues were collected by the Supreme Circle and turned over by it to the Death Benefit Fund Association. This cannot be said to be an acceptance and verification of the transfer by the members.

Respondents' brief, page 11, "The society in its law provided for a Reserve Fund for the uses of the fund." The uses of the Reserve Fund was "*No appropriation shall be made from the Reserve Fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle at an annual or special session.*" (Case, 83). Nowhere in this case will you find a resolution directing the trustees to withdraw so much money as may be necessary for the purpose of paying losses. There was no such resolution. They say this was merely a matter of bookkeeping, entirely. So it seems, and

without any authority, and in violation of their law, they have attempted to change the Reserve Fund and use it for other purposes than that for which it was created. *The assignment of mortgage was never reported to the Supreme Circle at any session, nor was it in any way approved by it.*

Another statement on page 7 of respondents' brief that "Both sides agreed that the amount returned, to wit, \$113,595.15, was the correct amount," is erroneous as the receiver appellant agreed that the figures of Mr. Ruhl were correct. His figures (Case, 224), were that all the excess dues returnable from March 1, 1910, to dissolution on September 29, 1916, were \$105,924. The Exhibit D3 which Mr. Ruhl prepared (Case, 130-209-396), shows that the total amount of excess dues from March 1, 1910, to April 1, 1914, the date of the assignment, to be \$100,549.98 (Case, 240-253), so that the assignment included excess dues paid after it was made to the amount of about \$5,000, represented by Exhibit C7 (Case, 379).

On page 14 of respondents' brief the statement of the resolution to pay losses is erroneous. There was no such resolution.

On the same page, counsel says we misunderstand the Poole case. We believe this Court will understand the Poole case, however, and our reasons as set forth on page 15 of our brief.

Chancellor Walker never said that the excess dues would be returned. The society never said they would return them. The excess dues were not paid under the conditions counsel states in his brief. (15.) *If they were paid under such conditions why were they not returned in July, 1912, after the Poole case was determined by this Court?*

The powers of attorney, represented by the blue

and yellow slips, do not say they will be void if their law was ineffective.

“I hereby authorize and direct the Supreme Trustee to pay my equity in the Death Benefit Reserve Fund, Brotherhood of America, into the Reserve Fund of Division No. 1, of which it is my desire to be a member, and do hereby agree to abide by all laws governing the same now in force or that may hereafter be enacted.”

“I hereby authorize and direct the Supreme Trustees to pay my equity in the Death Benefit Reserve Fund existing prior to August 1, 1912, into the Reserve Fund of Division No. 2, of which it is my desire to be a member in accordance with Section 14, Article XVI, laws of the Supreme Circle, adopted July 31, 1912.”

Their laws were not illegal in any respect until November, 1914, some six months after the assignment and then only in respect to the division of funds.

The resolution of July 30, 1912, provided for the return of excess dues, it did not provide for the assignment of the securities of the Reserve Fund, nor was this assignment ever ratified and approved in any way by the Supreme Circle.

There is no attempt made by appellant to confuse this Court concerning Exhibit C6. *This exhibit shows that the money was actually paid out of the cash on hand of the Reserve Fund for the purpose, as is indicated on each voucher, to return excess dues. They were all paid by the banking institution prior to December 8, 1913, the last vouchers being paid on that date (see Exhibit C13, Case, 386). The Exhibit C14 (Case, 391-392), shows the receipt of this money by the Death Benefit Fund from the Re-*

serve Fund and its payment by the Death Benefit Fund for return excess dues. The journal of 1914, and their books show that on December 31, 1913, after the excess dues had been paid in *cash*, that the securities which the receiver is seeking to recover were investments of the Reserve Fund (see Case, 235, 237, 240, 191, 197). These facts certainly cannot confuse the Court.

CONCLUSIONS.

There is therefore before this Court four questions:

First: *Was there any excess dues returnable?*

Second: *If there were excess dues returnable could they be returned by taking these mortgages from the Reserve Fund and assigning them to trustees?*

Third: *If there were excess dues returnable and they could be returned by assigning the securities of the Reserve Fund, were they paid in cash prior to the Assignment of Mortgage? Or had all excess dues been returned?*

Fourth: *Are the mortgages beyond the reach of the receiver?*

This Court's decision on these matters will decide all questions raised in this case, except interest and costs, and materially aid the receiver in collecting whatever other moneys that may be due.

The first question we have, we believe, fully answered in this and our original brief in Points II, III, IV, V and VI.

The second question we have established beyond a reasonable doubt in this and the former brief in

Sec. 11, act 1898, Comp. Statutes, 129.

" No distribution of the assets of any corporation affected by this act shall be made, until the debts of such corporation shall have been fully satisfied, nor shall any property be diverted from any trust created by the donor or grantor.

Points I, V, VI and VIII, that the Reserve Fund could not be used for any other purpose than that for which it was created.

The third question, we have explained in this and under Point VII in our former brief. In addition to the reasons therein set forth we would suggest to the Court not to confuse the Death Benefit Fund and the Reserve Fund. The Death Benefit Fund was the general funds of the organization, that is, to pay current expenses and death claims. The Reserve Fund was a fund created as we have set forth (Case, 83).

“Section 20, on page 183, provides: Five per cent. of the monthly receipts shall be added to the Reserve Fund, the same to be deposited in banks or trust companies paying interest, said depositories to be designated by the trustees, or to be invested in such manner as the Supreme Circle may direct. No appropriation shall be made from the Reserve Fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle, at an annual or special session,” for a particular, definite and certain purpose.

The payments made by Exhibit C14, were from the Death Benefit Fund. This exhibit also shows money received from the Reserve Fund, and the payment of the excess dues by the Death Benefit Fund to the members in *cash* prior to the assignment of mortgage.

The Exhibit C13, shows the payment of excess dues in *cash* from the cash account of the Reserve Fund and still left the securities of \$90,000 in that Reserve Fund.

In other words the excess dues were paid twice,

on
ts
ied,
t

first the full amount was paid in cash, then second the full amount was paid by the assignment of mortgage to the trustee respondents.

The Vice-Chancellor in the court below has failed to grasp the conditions surrounding this case, and in his history of previous litigation has gone beyond what the respective opinion and decrees show the facts to be.

The receiver's rights to these securities of the Reserve Fund are perfect. He is the receiver of a corporation of this State, that became dissolved. The securities in the hands or control of any of its officers should be turned over to him. Should the officers as officers of the association hold moneys in trust for some other persons, and that association should dissolve under the statute and a receiver be appointed to wind up its affairs, the money held by such officers in trust should be turned over to the receiver, for on dissolution and the appointment of a receiver they cease to be the officers. All the defendants in this case are officers of the Supreme Circle (Case, 15-16-313), therefore the securities should be turned over to the receiver.

The receiver of a beneficial association succeeds to everything held by it or its officers, it is his duty to protect the beneficiaries, members and creditors.

Respectfully submitted,

OSCAR B. REDROW,

*Solicitor for and of
Counsel with Com-
plainant-Appellant.*

I N D E X

	PAGE
Summons	I
Bill of Complaint	5
Amendment to Bill of Complaint	36
Answer	37
Appearance	48
Rule to Show Cause	49
Affidavit of Service	53
Replication	55
Order of Reference	56
Order Fixing Day of Final Hearing	57
Notice	58
Order for Injunction	61
Writ of Injunction	63
Order to Collect	66
Special Master's Report of Receipt of Money	68
Amendment to Answer	70
Conclusions	73-75

Testimony:

Offer of Evidence	79
Howard Callingham—Direct	81
Recalled—Direct	229, 262
Recalled—Cross	232, 264
Recalled—Re-direct	235
Recalled—Re-cross	243
John G. Horner—Direct	113
Cross	115

	PAGE
Henry B. Walter—Direct	118
Cross	152
Recalled—Direct	247, 255
Recalled—Cross	251, 258
John Ruhl—Direct	207
Cross	222
George W. Heinecke—Direct	225
Cross	227
Conclusions on Final Hearing	269
Stipulation	288
Final Decree	289
Proof of Service of Notice of Appeal	292
Notice of Appeal	293
Petition of Appeal	295
Answer to Petition of Appeal	299
Exhibit C1, Investments of Reserve Fund	300
" C1 1-2, Order Appointing Receiver	302
" C2, Petition of Appeal, Poole Case	304
" C3, Petition of Appeal, Park Case and Order Dis- missing Appeal	306
" C4, Certificate of Dissolution	310
" C5, Data Furnished to Galpin	311
" C6, Vouchers Reserve Fund	316
" C7, Vouchers Death Benefit Fund	379
" C8, Voucher No. 16, Reserve Fund	386
" C9, Voucher No. 17, Reserve Fund	386
" C10, Voucher No. 18, Reserve Fund	386
" C11, Vouchers, Reserve Fund	386
" C12, Vouchers, Reserve Fund	386
" C13, Pass Book, Reserve Fund	386
" C14, Pages 54-55, Journal, 1914	391
" C15, Order for Injunction, Poole Case	393
" D1, Letter Dated March 23, 1910	394
" D2, Statement of Losses	395
" D3, Drawn from Reserve Fund	396
" D4, (Copy of D3)	406
" D5, Receipt of Trustees	406
" D6, Power of Attorney	407
" D7, Assignment of Mortgages	407

SUMMONS.

NEW JERSEY, to wit: The State of New Jersey to John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerburg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert, Hilton Taylor and The Maxwell Improvement and Educational Association. 10

GREETING: We command you, that you appear in manner and form required by law in our Court of Chancery, on the 23rd day of March instant, at Trenton, to answer to a bill of complaint exhibited against you in our said Court by John G. Horner, Receiver of the Supreme Circle, Brotherhood of America, and to do further and receive what our said Court shall have considered in that behalf; and this you are not to omit, under the penalty that may fall thereon. 20

WITNESS, his HONOR, EDWIN ROBERT WALKER, Chancellor of our said State, at Trenton, the eighth day of March, nineteen hundred and fifteen.

ROBERT H. McADAMS,
Clerk.

OSCAR B. REDROW,
Sol'r.

NOTICE.—The defendant is Not required to appear at Trenton in person, at the return day, but if he intends to make a defence it is only necessary for him to answer, plead or demur to the bill within the time required by law. 30

ROBERT H. McADAMS,
Clerk.

[ENDORSEMENT]

IN CHANCERY OF NEW JERSEY.

Between

John G. Horner, Receiver,
Compl't,

and

George W. Heinecke,
Def't.

10

Sub. ad Resp.

Filed Mar. 15, E. B. Leaming.
Ret'able March 23, A. D. 1915.Oscar B. Redrow,
Sol'r.Duly served Mch. 9/1915 (on enclosed
deft.) on Maxwell Co. by delivering
copy on E. M. Reilly, President.

20

Joshua C. Haines,
Shff.by J. Fred Voight,
Sp. Deputy Sheriff.

30

Duly served on March 9, 1915, per-
sonally on John F. Harned, Henry C.
Barnes, Laura L. Barnes, Emma
B. Burton, Maggie J. White, Amelia
L. Spellerberg, Jessie Kennedy, Linda
W. Franklin, Rebecca S. Cooper,
Charles Lambert and Hilton Taylor
and on The Maxwell Improvement
and Educational Association by de-

livering copy thereof on E. M. Reilly,
President.

Joshua C. Haines,
Sheriff.

by Fred J. Voight,
Special Deputy Sheriff.

7.12

SUMMONS.

NEW JERSEY, to wit: The State of New 10
Jersey to George W. Heinecke, Albert L.
Welsh, and John R. Wills, Trustees,
George W. Heinecke, Albert L. Welsh,
[SEAL] John R. Wills, William M. Hearn, Sam-
uel Harris, H. B. Walter, George W.
Dannenhower, Henry I. Yohn and Charles
W. Bacon.

GREETING: We command you, that you appear in
manner and form required by law in our Court of 20
Chancery, on the twenty-third day of April instant,
at Trenton, to answer to a bill of complaint exhib-
ited against you in our said Court by John G. Hor-
ner, Receiver of the Supreme Circle, Brotherhood of
America, and to do further and receive what our
said Court shall have considered in that behalf; and
this you are not to omit, under the penalty that may
fall thereon.

WITNESS, his Honor, EDWIN ROBERT WALKER,
Chancellor of our said State, at Trenton, the twelfth 30
day of April, in the year of our Lord one thousand
nine hundred and fifteen.

ROBERT H. McADAMS,
Clerk.

OSCAR B. REDROW,
Sol'r.

NOTICE.—The defendant is NOT required to appear at Trenton in person, at the return day, but if he intends to make a defence it is only necessary for him to answer, plead or demur to the bill within the time required by law.

ROBERT H. McADAMS,
Clerk.

[ENDORSEMENT]

10

IN CHANCERY OF NEW JERSEY.

Between

John G. Horner, Receiver,
Compl't,

and

George W. Heinecke, et al.,
Def't.

20

Sub. ad Resp.

Ret'ble April 23, A. D. 19

Osear B. Redrow,
Sol'r.

30

Service of the within subpoena is hereby acknowledged for the defendants named therein, to wit, George Heinecke, Albert L. Welsh, John R. Wills, Trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, Samuel Harris, H. B. Walter, George W. Dannenhower, Henry I. Yohn and Charles W. Bacon.

Dated April 13, 1915.

John F. Harned.
Sol'r of Defendants.

BILL OF COMPLAINT.

IN CHANCERY OF NEW JERSEY.

To his Honor, Edwin R. Walker, Chancellor of the State of New Jersey:

Humbly complaining unto your Honor, your orator, John G. Horner, receiver of the Supreme Circle, Brotherhood of America, respectfully shows, charges and avers: 10

1. That your orator was appointed receiver of the Supreme Circle, Brotherhood of America, on the fourteenth day of December, nineteen hundred and fourteen, by the Chancellor of the State of New Jersey, by an order made on that date in the suit of William J. McClain, complainant, and Supreme Circle, Brotherhood of America, defendant; that your orator immediately thereafter, to wit, on December 15, 1914, gave a bond to the Chancellor in the sum of sixty-four hundred dollars and took the oath prescribed by law for the faithful performance of his duties. 20

2. And your orator further shows, that the said Supreme Circle, Brotherhood of America, then known as the Brotherhood of the Union, was, prior to September 2, 1896, a mutual association; that on or about the last named date it became a corporation under the laws of the State of New Jersey, under "An Act to incorporate benevolent and chari- 30

table organizations," approved April 9, 1875, and the several supplements thereto, under the name of Supreme Circle Brotherhood of the Union.

3. And your orator further shows, that the said Supreme Circle, Brotherhood of the Union, on or about December 21, 1905, filed a new certificate of incorporation, under "An Act to incorporate associations not for pecuniary profit," approved April 21, 1898, and the supplements thereto, for the purpose of changing the name from Supreme Circle, Brotherhood of the Union, to the Supreme Circle, Brotherhood of America.

4. And your orator further shows that connected with said Supreme Circle, Brotherhood of America, and under its control, was a certain Death Benefit Fund with a reserve fund, which was accumulated by the payments of certain monthly dues of its members to the said Supreme Circle under certain by-laws of said Supreme Circle, upon the payment of which dues, at the death of the member, the said Supreme Circle agreed to pay to the widow, beneficiary or next of kin of said member making such payments the sum of five hundred dollars. That the dues of the fund were fifty cents a month for all members of the same, which were due and payable upon the first day of the month, provided, however, that, when the receipts of said fund for any month together with the cash on hand are not sufficient to pay the liabilities for such month, the trustees of said Supreme Circle should increase the monthly dues to sixty cents for each month until the income and cash in hand should equal the liabilities. That it was further provided that the members of said Supreme Circle should make their monthly payments at a

specified time or else be expelled from the fund. That on or about the year nineteen hundred and nine, the said Supreme Circle enacted a law increasing the rate of dues by changing the amount to be paid monthly by each member from fifty cents to a graded schedule, whereby members between sixteen and twenty-one years paid forty cents per month, members between twenty-one and twenty-six years paid forty-five cents a month, members between twenty-six and thirty-one years paid fifty cents a month, members between thirty-one and thirty-six 10
paid sixty cents a month, members between thirty-six and forty-one paid seventy-five cents per month, and over forty-one years paid ninety cents a month, that this law became effective on March 1, 1910, whereby all members who joined the order and fund after March 1, 1910 were required to pay dues and payments according to the graded schedule hereinafter set forth, depending upon the age of the member.

5. And your orator further shows that it was also 20
provided by the constitution and by-laws of said Supreme Circle that five per centum of the monthly receipts should be added to the reserve fund and deposited in banks and trust companies paying interest, said depositories to be designated by the trustees, or be invested in such manner as the said Supreme Circle shall direct. No appropriations shall be made from the reserve fund except for the payment of death benefits of members and then only by 30
vote of the Supreme Circle at an annual or special session. That also an amount equal to fifteen cents per capita for each member in the fund on the first day of January of each year should be paid to the general fund and no other appropriation shall be made from

this Death Benefit Fund except in pursuance to the provisions of the law governing same.

6. And your orator further shows that said Supreme Circle, by reason of the aforesaid laws, had under its control large sums of money in the Death Benefit Fund and in the reserve fund for the purpose of paying death claims or funeral benefits as they accrued; that said reserve fund was at various times invested in different and various securities, that a sum of eighty-nine thousand, eight hundred dollars, as hereafter enumerated was placed on mortgages in the City and County of Philadelphia, and State of Pennsylvania, and also on properties located in Camden and vicinity, in the County of Camden and State of New Jersey. That the following is a list of the properties on which the said Supreme Circle, Brotherhood of America, held mortgages in Camden and vicinity, in the County of Camden and State of New Jersey, together with the names of the owners:

Camden, N. J.		
Premises	Present Owners	Amount
No. 21 Broadway—	William M. Shivers	\$4000.
No. 919-921-927-937-		
939 Carpenter St.—	John F. Harned	4000.
No. 958 Pine St.—		
	Henry C. & Laura L. Barnes	1500.
No. 960 Pine St.—	Emma B. Burton	1500.
No. 427 Cooper St.—	Maggie J. White	5000.
30 No. 1157 Cooper St.—	Amelia L. Spellerberg	1250.
No. 810 Mt. Ephraim Ave.—		
	Jessie Kennedy	1250.
No. 855 Haddon Ave.—	Linda W. Franklin	1600.
No. 859 Haddon Ave.—	Rebecca S. Cooper	1800.
No. 1235 Liberty St.—	Charles Lambert	\$800.00

No. 324 Benson St.—The Maxwell Improvement & Educational Association	2000.00
No. 215 Benson St., No. 415 Berkley St., Nos. 422, 424, 426 S. Second St., No. 434 S. Third St., Nos. 216, 220 and 318 Washington St., owned by The Maxwell Improvement & Educational Association	7000.00

Haddonfield, N. J.

10

Dwellings, Mansion Avenue, and other streets, including about 100 acres in tract, owned by The Maxwell Improvement and Educational Association	12000.00
--	----------

7. And your orator further shows that he is advised and believes and therefore charges that the hereinbefore mentioned securities represented investments of the reserve fund of the Death Benefit Fund of the Supreme Circle, Brotherhood of America. 20

8. And your orator further shows that on or about April 9, 1914, the Supreme Circle, Brotherhood of America, by William M. Hearn, president or Supreme Washington, and H. B. Walter, the secretary or Supreme Scroll Keeper, made and executed an assignment of the above named mortgages upon premises situated in Camden and vicinity in the County of Camden and State of New Jersey, to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, their heirs and assigns, that said assignment of mortgage was recorded on May 16, 1914, in the Register of Deeds' Office of Camden County in Book 44 of Assignments of Mortgages, pages 439, etc., and that a 30

copy of said assignment of mortgage is hereto attached and marked Schedule A.

9. And your orator further shows, that the officers of said Supreme Circle, Brotherhood of America, on or about April 9, 1914, were Supreme Washington, William M. Hearn, Laurel, Delaware. Supreme Jefferson, Samuel Harris, No. 422 S. 21st St., Phila., Pa. Supreme Franklin, Thomas L. Gage, No. 2901 Atlantic Ave., Atlantic City, N. J. Supreme Scroll
10 Keeper, H. B. Walter, 2208 Frankford Ave., Phila., Pa. Supreme Treasurer, George W. Dannenhauer, 2408 Frankford Ave., Phila. Trustees, Henry I. Yohn, Room 114, City Hall, Phila., Hilton Taylor, No. 603 Carman St., Camden, N. J., Charles W. Bacon, No. 2135 N. Ninth St., Phila., Pa.

10. And your orator further shows, that on or about May 14, 1914, at an annual session of the Supreme Circle, Brotherhood of America, held at New
20 Haven, Conn., the following officers were elected for the succeeding year: Supreme Washington, Samuel Harris, No. 422 S. 21st St., Phila., Pa. Supreme Jefferson, Thomas L. Gage, No. 2901 Atlantic Ave., Atlantic City, N. J. Supreme Franklin, Albert L. Welsh, No. 4265 Paul St., Phila., Pa. Supreme Scroll
Keeper, H. B. Walter, 2208 Frankford Ave., Phila., Pa. Supreme Treasurer, George W. Dannenhauer, 2408 Frankford Ave., Phila. Trustees, Henry I. Yohn, Room 114, City Hall, Phila., Pa., Hilton Tay-
30 lor, No. 603 Carman St., Camden, N. J., and Charles W. Bacon, No. 2135 No. 9th St., Phila., Pa.

11. And your orator further shows that the officers of the Death Benefit Fund comprise the presiding officer or Supreme Washington, the Secretary or Su-

preme Scroll Keeper, the Supreme Treasurer and the three Supreme Trustees of the Supreme Circle, Brotherhood of America.

12. And your orator further shows that prior to September 30, 1914, the Supreme Circle, Brotherhood of America, voted to dissolve and that on September 30, 1914, the Supreme Circle, Brotherhood of America was granted a certificate of dissolution by David S. Crater, Secretary of State of the State of New Jersey.

10

13. And your orator further shows that he is advised and believes and therefore charges, that said reserve fund was created by deducting five per centum of the monthly receipts from the members of the said Supreme Circle, Brotherhood of America, and that pursuant to the by-laws authorizing and directing the creation of said reserve fund, the said five per centum should be deposited in banks or trust companies paying interest, or invested, and that no appropriation should be made from the reserve fund except for the payment of funeral benefits for members, and then only at a vote of the Supreme Circle, Brotherhood of America, at an annual or special meeting; that the aforesaid action of the officers of the Supreme Circle, Brotherhood of America, in assigning and transferring said securities to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, was made for a purpose other than the payment of death benefits for members, and was made without vote of the Supreme Circle, Brotherhood of America, at an annual or special meeting.

20

30

14. And your orator further charges and avers

that each, every and all of the members of the said Supreme Circle, Brotherhood of America, as well as each, every and all members of the Death Benefit Fund, regardless of the division unto which they have been placed by the Supreme Officers, or regardless of the amount of monthly dues that they are paying, had an interest in said fund.

15. And your orator further shows that he has received from the officers of the Supreme Circle,
10 Brotherhood of America, approximately three thousand dollars; that there have been filed with or presented to him death benefit claims amounting to many thousands of dollars, and that death benefit claims are constantly being presented to him; and that he is and will be unable, unless he is able to receive from the said securities sufficient money to pay such death benefit claims.

16. And your orator further shows that pursuant
20 to the constitution and by-laws of the said Supreme Circle, Brotherhood of America, the moneys received by it and placed in the reserve fund or any other fund constituted a trust fund to be held by them for the payment of death claims as they acerue, and could not be appropriated, transferred or assigned to any other person or persons, nor to any other use of uses, that the assignment of mortgages heretofore more fully set forth as having been assigned by the said Supreme Circle, Brotherhood of America,
30 to George W. Heinecke, Albert L. Welsh and John R. Wills, as trustees, constituted a breach of the laws governing the order and the trust reposed in the officers by the members of the Supreme Circle; that the moneys and securities belonging to the Supreme Circle, Brotherhood of America, or to your orator as its legal representative.

17. And your orator further shows that the said assignment of mortgages heretofore more fully set forth was without consideration and to the prejudice of the members, creditors of the Brotherhood of America, and to your orator as receiver thereof.

18. And your orator further shows that the said George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, are holding said mortgages, collecting principal and interest thereon and applying same for other purposes and uses than the payment of death benefits due dependants, or benefits of deceased members of the Brotherhood of America. 10

19. And your orator further shows that notwithstanding the dissolution of the Supreme Circle, Brotherhood of America and the appointment of your orator as receiver thereof, the said officers of the Supreme Circle are continuing to exercise and perform their duties and functions as officers of the said corporation or association, and are carrying on business as such, and in some way or manner, at this time the particulars of which are unknown to your orator, are exercising or claim to exercise some power, control or interest in said securities in connection with the said George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, and are using the funds thereof. 20

20. And your orator further shows that said act of said defendants is contrary to equity and good conscience and tends to the manifest wrong, injury and oppression of your orator in the premises. 30

21. In consideration whereof and for as much as your orator is without adequate remedy without the

aid of this Honorable Court where matters of this nature are particularly cognizable and relievable.

22. To the end therefore, that the said defendants, George W. Heinecke, Albert L. Welsh, John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura
10 L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert, The Maxwell Improvement and Educational Association, to the best and utmost of their respective knowledge, information and belief, true and perfect answers make to all and singular the matters and things aforesaid, and that as fully and particularly as if the same were here repeated, and they and each of them
20 separately and particularly interrogated thereto, and that it may be decreed by this Honorable Court that the said assignment of mortgage or securities hereinbefore set forth is and was a wrongful conversion of the reserve fund or Death Benefit Fund of the Supreme Circle, Brotherhood of America, and that the assignment of mortgage be declared invalid; and that the said defendants, George W. Heinecke, Albert L. Welsh, John R. Wills, be decreed to transfer to your orator by good and sufficient assignments of mortgage, all of the aforesaid mortgages or secur-
30 ities, which they receive in the assignment of mortgage bearing date April 9, 1914, and recorded in the Register of Deeds' Office of Camden County, in Book 44 of Assignments of Mortgages, page 438, as aforesaid, and that the said defendants, George W. Heinecke, Albert L. Welsh, and John R. Wills, trus-

tees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor and Charles W. Bacon and Samuel Harris, may be decreed to pay unto your orator all moneys that have been received on said securities or mortgages either on account of principal or interest; and that the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, 10 Charles Lambert, The Maxwell Improvement and Educational Association, may be restrained and enjoined from paying any moneys whatsoever to the defendant, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, for any interest or principal that may be due or hereafter become due on any, each or all of the mortgages aforesaid on any, each or all of the aforesaid properties, and that they may be required to pay the interest or principal which may be due or hereafter become payable on any, each or all of the aforesaid mortgages, to your orator, and that your orator may have such further and other relief in the premises as the nature of the case may require and as may be agreeable to equity and good conscience. 20

May it please your Honor, the premises considered, 30 to grant unto your orator not only the State's writ of injunction issuing out of and under the seal of this Honorable Court to be directed to the said defendants, George W. Heinecke, Albert L. Welsh, and John R. Wills, trustees, George W. Heinecke, Albert L.

Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, enjoining and restraining them and each of them from disposing, selling or transferring in any manner whatsoever any, each or all of the aforesaid mortgages or securities to any person, firm, association or corporation, and from collecting any money whatsoever from any other person, firm, association or corporation on account of or in full payment

10 of any interest or principal that may be due or hereafter become due on any of the aforesaid mortgages or securities; but also the State's writ of injunction issuing out of and under the seal of this Honorable Court to be directed to the said defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational

20 Association, are requiring them and each of them to pay any and all moneys that may be due or may hereafter become due and payable for any interest or principal on the aforesaid mortgages or securities to your orator. But also the State's writ of subpoena issuing out of and under the seal of this Honorable Court to be directed to George W. Heinecke, Albert L. Welsh, and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W.

30 Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert and

The Maxwell Improvement and Educational Association, commanding them and each of them by a certain day and under a certain penalty therein to be expressed to be and appear before your Honor in this Honorable Court, then and there to answer all and singular the said premises and to state to, abide by, and perform such order and decree therein as to your Honor shall seem meet and as shall be agreeable to equity and good conscience.

And your orator as in duty bound will ever pray.

OSCAR B. REDROW,
Solicitor for and of Counsel with Compl't. 10

STATE OF NEW JERSEY, }
CAMDEN COUNTY, } ss.

John G. Horner, being duly sworn on his oath, deposes and says, that he is the complainant named in the foregoing bill of complaint, that he was appointed receiver of the Supreme Circle, Brotherhood of America, on December 14, 1914, by the Chancellor of the State of New Jersey, by an order made on the date, on application made by William J. McClain, complainant, and the Supreme Circle, Brotherhood of America, defendant; that on December 15, 1914, he gave a bond to the Chancellor of the State of New Jersey in the sum of sixty-four hundred dollars, and took the oath prescribed by law for the faithful performance of his duties. 20 30

This deponent further says that he is advised and verily believes to be true that the Supreme Circle, Brotherhood of America, prior to September 2, 1896, was a mutual, unincorporated association, known and

designated as the Brotherhood of the Union; that on or about September 2, 1896, it became incorporated under the laws of the State of New Jersey under "An Act to incorporate benevolent and charitable organizations," approved April 9, 1875, under the name of Supreme Circle, Brotherhood of the Union. That on or about December 21, 1905, the said Supreme Circle, Brotherhood of the Union filed a new certificate of incorporation in the State of New Jersey under "An Act to incorporate associations not for pecuniary profit," approved April 21, 1898, for the purpose of changing the name from Supreme Circle, Brotherhood of the Union to Supreme Circle, Brotherhood of America.

This deponent further says that he is informed and verily believes to be true, from an examination of the constitution, by-laws, annual reports, books and other papers in his possession, as receiver aforesaid, that there was connected with said Supreme Circle, Brotherhood of America, and under its control a Death Benefit Fund which had a reserve fund, which was an accumulation of certain monthly payments of dues of the members of the Brotherhood of America to the Supreme Circle, under certain by-laws of said Supreme Circle, upon the payment of which dues, at the death of a member, the Supreme Circle agreed to pay to the widow, beneficiary or next of kin of said member making such payments, the sum of five hundred dollars, that he is informed and believes to be true that the dues of the fund were fifty cents a month for all members, which dues became due and payable upon the first day of the month, provided, however, that when the receipts of said fund for any month together with the amount on hand were not sufficient to pay the liabilities for such month, the trustees of said Supreme Circle,

Brotherhood of America, should increase the monthly dues to sixty cents for each and every member until the income together with the cash on hand should equal the liabilities; that on or about 1909, the Supreme Circle enacted a law increasing the rate of dues to be paid by the members from fifty cents a month to a graded schedule, and that the graded schedule set out in paragraph 4 of said bill, this deponent believes is the schedule of rates adopted at that time, that these rates became effective on March 1, 1910, and that all members who joined after March 1, 1910, were required to pay dues according to the graded schedule as your orator is informed and believes to be true. 10

This deponent further says that he is informed and believes to be true that the laws of the Supreme Circle, Brotherhood of America, provided for five per centum of the monthly receipts of said Death Benefit Fund should be added to the reserve fund and deposited in banks and trust companies paying interest, said depositories to be designated by the trustees or to be invested in such manner as said Supreme Circle shall direct. No appropriation should be made from the reserve fund except for the payment of death benefits for members and then only on a vote of the Supreme Circle at an annual or special session. That also an amount equal to fifteen cents per capita for each member of the fund on the first day of January of each year should be paid to the general fund and no other appropriation shall be made from the Death Benefit Fund except in pursuance of the provisions of the law governing same. 20 30

This deponent further says that he is informed and believes to be true that the Death Benefit Fund had under its control by reason of the aforesaid laws,

large sums of money for the purpose of paying death benefit claims or funeral benefits as they accrued and according to the laws of the order; that this money was at various times invested in different securities and that according to the last report of the Supreme Circle, Brotherhood of America, at their sixty-fourth annual session held at New Haven, Connecticut, on May 12th, 13th and 14th, 1914, on pages 18 and 19 of said report the sum of eighty-nine thousand eight hundred dollars, as therein and as
 10 hereafter enumerated, was placed on mortgages in the City and County of Philadelphia and on properties located in Camden and vicinity in Camden County, New Jersey.

That from information and belief the following is a list of the properties upon which the said Supreme Circle, Brotherhood of America hold mortgages, according to the aforesaid report, in Camden and vicinity in the County of Camden and State of New Jersey, together with the owners of the properties
 20 upon which said mortgages are liens.

Camden, N. J.

Premises.	Owners.	Amount.
No. 21 Broadway—	William M. Shivers	\$4000.
Nos. 919-921-927-937-		
939 Carpenter St.—	John F. Harned	4000.
No. 958 Pine St.—		
	Henry C. & Laura L. Barnes	1500.
30 No. 960 Pine St.—	Emma B. Burton	1500.
No. 427 Cooper St.—	Maggie J. White	5000.
No. 1157 Cooper St.—	Amelia L. Spellerberg	1250.
No. 810 Mt. Ephraim Ave.—		
	Jessie Kennedy	1250.
No. 855 Haddon Ave.—	Linda W. Franklin	1600.

Bill of Complaint

21

No. 859 Liberty St.—Charles Lambert	800.
No. 324 Benson St.—The Maxwell Improvement & Educational Association	2000.
Nos. 215 Benson St., 415 Berkley St., Nos. 422, 424 and 426 S. Second St., No. 434 S. Third St., Nos. 216-220-318 Washington St., owned by The Maxwell Improvement and Educational Association	7000.

Haddonfield, N. J.

10

Dwellings, Mansion Avenue, and other streets, including about 100 acres in tract, owned by The Maxwell Improvement and Educational Association	12000.
--	--------

This deponent further says that he is informed and believes to be true that the money invested in the aforesaid mortgages represented investments of the reserve fund of the Death Benefit Fund of the Supreme Circle, Brotherhood of America. 20

This deponent further says that he is informed and believes to be true that on April 9, 1914, the Supreme Circle, Brotherhood of America, by their president or Supreme Washington, and secretary or Supreme Scroll Keeper, made and executed an assignment of the aforesaid mortgages to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, that the said assignment of mortgage was recorded in the Register of Deeds' Office of Camden County on May 16, 1914, in Book 44 of Assignments of Mortgages, pages 438, etc., and that the copy of said assignment of mortgage hereto attached and marked Schedule A, is a true copy. 30

This deponent further says that he is advised and

believes to be true that the said reserve fund was created by deducting five per centum of the monthly receipts of the members of the Supreme Circle, Brotherhood of America, and that pursuant to be by-laws authorizing and directing the creation of said reserve fund the said five per centum should be deposited in banks or trust companies paying interest or invested and that no appropriation should be made from the reserve fund except for the payment of funeral benefits for members and then only

10 by a vote of the Supreme Circle, Brotherhood of America, at an annual or special session; that the action of the officers of the Supreme Circle, Brotherhood of America, in assigning and transferring said securities to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, was made for a purpose other than the payment of death benefits for members and was made without the vote of the Supreme Circle, Brotherhood of America, at an annual or special meeting.

20 This deponent further says that he believes that each, every and all of the members of the said Supreme Circle, Brotherhood of America, as well as each, every and all of the members of the Death Benefit Fund, regardless of any division into which they may have been placed by the Supreme Circle officers or regardless of the amount of the monthly dues they were paying, had an interest in said fund; that the moneys and securities belonging to the Supreme Circle, Brotherhood of America or to deponent as its

30 legal representative.

This deponent further says that he has received from the officers of the Supreme Circle, Brotherhood of America, approximately three thousand dollars; that there have been filed or presented to him death claims amounting to many thousands of dol-

lars and that the death claims are constantly being presented to him which deponent is unable to pay unless he is able to receive from the aforesaid securities sufficient money to pay such death benefit claims.

Subscribed and sworn before me this _____ day
of _____, A. D. 1915.

STATE OF NEW JERSEY, }
CAMDEN COUNTY, } ss.

10

William J. McClain, being duly sworn according to law, on his oath deposes and says that he is a member of the Supreme Circle, Brotherhood of America, that he has read the bill of complainant, and that the matters and facts therein stated are true.

This deponent further says that the laws of the Supreme Circle, Brotherhood of America, provide as follows: 20

The dues to this fund shall be fifty cents per month for all members of the same, which are due and payable upon the first day of the month; provided, however, that, when the receipts of this fund for any month, together with the cash in hand, are not sufficient to pay the liabilities for such month, the trustees shall increase the monthly dues to sixty cents until the income and cash in hand shall equal the liabilities.

30

Five per centum of the monthly receipts shall be added to the reserve fund, the same to be deposited in banks or trust companies paying interest, said depositories to be designated by the trustees, or be invested in such manner as the Supreme Circle may

direct. No appropriation shall be made from the reserve fund, except for the payment of death benefits for members, and then only by a vote of the Supreme Circle, at an annual or special session.

An amount equal to fifteen cents per capita for each member in the fund on the first day of January of each year shall be paid to the general fund, and no other appropriation shall be made from this Death Benefit Fund, except in the pursuance of the provisions of the law governing the same.

10 This deponent further says that the schedule of rates hereto attached and known as the graded schedule is a correct copy of the law which became effective March 1, 1910.

20 This deponent further says that the officers of the Supreme Circle, Brotherhood of America, on or about April 9, 1914, were as follows: Supreme Washington, William M. Hearn, Supreme Scroll Keeper, H. B. Walter, Supreme Treasurer, George W. Dannenhauer, trustees, Henry I. Yohn, Hilton Taylor and Charles W. Bacon; that the officers of the said Supreme Circle, Brotherhood of America, on May 14, 1914, were as follows: Supreme Washington, Samuel Harris, Supreme Scroll Keeper, H. B. Walter, Supreme Treasurer, George W. Dannenhauer, trustees, Henry I. Yohn, Hilton Taylor and Charles W. Bacon.

This deponent further says that the above named officers have full charge and control of the Death Benefit Fund including the reserve fund.

30 This deponent further says that the securities and mortgages mentioned and fully set out in paragraph 6 of said bill of complaint, are moneys of the reserve fund of the Death Benefit Fund of the Supreme Circle, Brotherhood of America; that the amounts of the several mortgages and the properties

upon which the mortgages cover, including the name of the present owners are fully set forth in paragraph 6 of said bill.

This deponent further says that the assignment of these mortgages by the officers of the Supreme Circle, Brotherhood of America, to the trustees aforesaid, was without consideration and to the prejudice of the members of the Brotherhood of America and its representative; that said trustees are collecting principal and interest on account of said mortgages and applying the same for other purposes than the payment of death benefits due dependents or benefits of deceased members of the Brotherhood of America; that notwithstanding the dissolution of the Supreme Circle, Brotherhood of America, and the appointment of a receiver thereof, the said officers of the Supreme Circle, are continuing to exercise and perform their duties and functions as officers of said corporation and are carrying on business as such and exercising or claim to exercise some power, interest or control in said securities in connection with the aforesaid trustees and are using the funds thereof. 10 20

This deponent further says that on September 30, 1914, the Supreme Circle, Brotherhood of America, was granted a certificate of dissolution by David S. Crater, Secretary of State of the State of New Jersey.

WILLIAM J. McCLAIN.

Subscribed and sworn before me this sixth day of 30
March, A. D. 1915.

CHARLES STEWART STARR,
Attorney at Law of New Jersey.

Assignment of Mortgages.

SUPREME CIRCLE, BROTHERHOOD OF AMERICA,
to
GEORGE W. HEINECKE, *et al.*,
Trustees.

- 10 Know all men by these presents that the Supreme Circle Brotherhood of America a Corporation under the laws of the State of New Jersey party of the first part for and in consideration of the sum of Forty four Thousand two hundred dollars lawful money of the United States of America to it in hand paid by George W. Heinecke, Albert L. Welsh, John R. Wills all of the City of Philadelphia and State of Pennsylvania Trustees at and before the ensealing and delivery of these presents the receipt whereof is
- 20 hereby acknowledged has granted bargained sold assigned transferred and set over and by these presents does grant, bargain, sell, assign, transfer and set over unto the said George W. Heinecke Albert L. Welsh and John R. Wills trustees as aforesaid their heirs and assigns forever All those certain Indentures of Mortgage as follows:
1. That Certain Indenture of Mortgage made by Charles M. Cooper and wife to the Supreme Circle Brotherhood of America dated the eighth day
- 30 of November nineteen hundred and six and recorded in the Register of Deeds office of Camden County in Book 103 of Mortgages page 590 etc. to secure the payment of the sum of Fifteen Hundred Dollars. 2. That certain Indenture of Mortgage made by Charles Lambert to the Supreme Circle Brother-

hood of America dated the fifteenth day of December nineteen hundred and six and recorded in the Register of Deeds office of Camden County in Book 104 of Mortgages page 294 etc. to secure the payment of the sum of Eight Hundred Dollars. 3. That certain Indenture of Mortgage made by William M. Shivers dated the Twentieth day of April eighteen hundred and ninety eight to the Supreme Circle Brotherhood of the Union now Brotherhood of America and recorded in the Register of Deeds office of Camden County in Book 76 10 of Mortgages page 656 etc. to secure the payment of the sum of Four Thousand Dollars. 4. That certain Indenture of Mortgage made by William C. J. Aitken, Elizabeth C., his wife to the Supreme Circle Brotherhood of the Union now Brotherhood of America dated the twenty eighth day of February eighteen hundred and ninety eight and recorded in the Register of Deed office of Camden County in Book 76 of Mortgages pages 395 etc. to secure the payment of the sum of Four Thousand Dollars. 5. 20 That certain Indenture of Mortgage made by John H. Hann to Paul T. Shinn and assigned to the Supreme Circle Brotherhood of America dated the fifteenth day of May eighteen hundred and ninety nine and recorded in the Register of Deeds office of Camden County in Book 79 of Mortgages page 442 etc. to secure the payment of the sum of Fifteen Hundred Dollars. 6. That certain Indenture of Mortgage made by James S. White and Maggie J. his wife to the Supreme Circle Brotherhood of the Union now 30 Brotherhood of America dated the twenty fifth day of May nineteen hundred and one and recorded in the Register of Deeds office of Camden County in Book 85 of Mortgages pages 233 etc. to secure the payment of the sum of Five Thousand Dollars. 7.

That Certain Indenture of Mortgage made by John H. Hann to Paul T. Shinn and assigned to the Supreme Circle Brotherhood of America dated the thirteenth day of September nineteen hundred and recorded in the Register of Deeds office of Camden County in Book 83 of Mortgages page 257 etc. to secure the payment of the sum of twenty hundred and fifty dollars. 8. That certain Indenture of Mortgage made by the Maxwell Improvement and Educational Association to the Supreme Circle Brotherhood of the Union now Brotherhood of America dated the twelfth day of June nineteen hundred and two and recorded in the Register of Deeds office of Camden County in Book 88 of Mortgages page 414 etc. to secure the payment of the sum of Fifteen Thousand Dollars. 9. That certain indenture of Mortgage made by Rebecca S. Cooper to Wilbert L. Sweeten and assigned to the Supreme Circle Brotherhood of the Union now the Brotherhood of America dated the Fourth day of November nineteen hundred and two and recorded in the Register of Deeds of Camden County in Book 89 of Mortgages page 531 etc. to secure the payment of the sum of Eighteen hundred dollars. 10. That certain indenture of Mortgage made by George S. Franklin to the Supreme Circle Brotherhood of the Union now Brotherhood of America dated the Ninth day of December nineteen hundred and two and recorded in the Register of Deeds office of Camden County in Book 90 of Mortgages page 51 etc. to secure the payment of the sum of sixteen hundred dollars. 11. That certain indenture of Mortgage made by Lorigan Hurley to the Supreme Circle Brotherhood of the Union now Brotherhood of America dated the twenty fourth day of April nineteen hundred and three and recorded in the Register of Deeds office of Cam-

den County in Book 91 of Mortgages page 228 etc. to secure the payment of the sum of twelve hundred and fifty Dollars. 12. That certain indenture of Mortgage made by the Maxwell Improvement and Educational Association to the Supreme Circle Brotherhood of the Union now Brotherhood of America dated the twelfth day of June nineteen hundred and three and recorded in the Register of Deeds office of Camden County in Book 92 of Mortgages page 112 etc. to secure the payment of the sum of Twelve Thousand Dollars. 13. That certain Indenture of Mortgage made by Benjamin Blumbaum and wife to the Maxwell Improvement and Educational Association and assigned by the Supreme Circle Brotherhood of America dated the first day of June nineteen hundred and seven and recorded in the Register of Deeds office of Camden County in Book 106 of Mortgages page 277 etc. to secure the payment of the sum of Two Thousand Dollars together with the hereditaments and premises in and by the said Indentures of Mortgage particularly described and granted or mentioned and intended so to be with the appurtenances. Together with the Bond or obligations in said Indentures of Mortgage mentioned and thereby intended to be secured and all moneys due and to grow due thereon and the warrants of attorney to confess judgment thereto annexed and all its estate right title interest property possession claim and demand in and to the same. To have and to hold the same unto the said George W. Heinecke, Albert L. Welsh and John R. Wills trustees their successors and assigns to their proper use benefit and behalf forever subject nevertheless to the equity of redemption of said mortgages respectively in the said Indentures of Mortgage named and their successors and assigns therein. In Witness whereof the

Supreme Circle Brotherhood of America has caused its corporate seal to be hereunto affixed and these presents signed by its Supreme Washington or President attested by its Supreme Scroll Keeper or Secretary this ninth day of April nineteen hundred and fourteen Supreme Circle Brotherhood of America, William M. Hearn, Supreme Washington (Corporal seal) attendance H. B. Walter, Supreme Scroll Keeper. Signed, sealed and delivered in the presence of and note the letter "M" in the name of Albert M. Welsh scored out and the letter "L" inserted and the word Chief immediately proceeding the word Washington scored out and Supreme inserted before signing John Ruhl.

State of New Jersey Camden County, ss. Be it remembered that on this ninth day of April nineteen hundred and fourteen before a Master in Chancery of New Jersey personally appeared Henry B. Walter who being by me duly sworn on his oath saith that he is the Supreme Scroll Keeper or Secretary of the Supreme Circle Brotherhood of America the grantor within named and that William M. Hearn is the Supreme Washington or President that deponent knows the common or corporate seal that the seal annexed to the within deed or conveyances is such common or corporate seal that the said deed or conveyance was signed by the said Supreme Washington or President and the seal of said grantor affixed thereto in the presence of deponent that said deed or conveyance was signed, sealed and delivered as and for the voluntary act and deed of said grantor for the uses and purposes therein expressed pursuant to the resolution of the Board of Directors of said grantor and at the execution thereof this deponent subscribed his name thereto as witness Henry B. Walter. Sworn and subscribed the day and year

aforesaid John F. Harned. Recorded May 16th 1914 at 10-35 A. M. By Edward W. Delacroix Register.

Amendments to Article XVI of the Laws of the Supreme Circle, adopted at the Special Session held at Philadelphia, July 31, 1912.

Section 13 of Article XVI was amended so that it reads:

10

Section 13. Division 1 shall be composed of all members of the Death Benefit Fund who were admitted on or after March 1, 1910, and such members admitted prior to that date who shall elect to become members of said Division. Division 2 shall be composed of all other members not included in Division 1.

The benefit to be paid upon the death of a beneficial member of either Division of this Fund shall be as follows:

20

CLASS A.

Dying within three years from date of last admission	\$300
Dying within four years from date of last admission	\$400
After four years from date of last admission	\$500

CLASS B.

30

Dying within one year from date of last admission	\$ 50
Dying within two years from date of last admission	\$100

Dying within three years from date of last admission \$150

Dying within four years from date of last admission \$200

After four years from date of last admission . . \$250

If, at any time, a member is expelled from this Fund, such member may be re-elected thereto within thirty days from said expulsion without regard to age, upon the payment of a penalty of fifty cents, if under forty-five years of age, and a penalty of one dollar if over forty-five years of age. One-half of the penalty must be forwarded to the Supreme Scroll Keeper.

Provided, that the dues and death benefit of such re-elected member shall be and remain as before expulsion.

In case of the re-election of a member to this Fund, notice of such re-election, on a form provided for this purpose, must be forwarded to the Supreme Scroll Keeper within four days, accompanied by a certificate of a reputable physician certifying that such re-elected member was in good health.

And *Provided* further that the above scale of benefits shall not affect the contract of any member admitted prior to the date when these laws became operative.

Section 14 was amended so that it reads:

Section 14. The regular monthly dues of members of Division 1 of this Fund shall be as of the age when admitted thereto as follows:

30

FOR MEMBERS OF CLASS A.

From 16 years and not over 21 years of age,	40c.
21 " " 26 " "	45c.
26 " " 31 " "	50c.

Bill of Complaint 33

31	“	“	36	“	“	60c.
36	“	“	51	“	“	75c.
41	“	upwards				90c.

FOR MEMBERS OF CLASS B.

From 16 years and not over 21 years of age,						20c.
21	“	“	26	“	“	23c.
26	“	“	31	“	“	25c.
31	“	“	36	“	“	30c.
36	“	“	41	“	“	38c. 10
41	“	upwards				45c.

The regular monthly dues of members of Division 2 of this Fund shall be fifty cents per month for all members of the same. All dues are due and payable upon the first day of the month. *Provided*, however, that when the total receipts of this Fund, for either Division, from the regular monthly dues thus rated and classified, together with the funds in the hands of the Supreme Treasurer belonging to such Division, are not sufficient to meet its liabilities of any month, the Supreme Trustees shall increase ten cents upon each member of said Division, and continue said increase until such time as the total income from the dues and the amount of cash in the hands of the Supreme Treasurer, belonging to said Division shall equal all liabilities. The Supreme Scroll Keeper must notify all Circles and Homes in every case of increase of dues levied by the Supreme Trustees, and Circles and Homes must likewise notify their respective membership of all such notices received from the Supreme Scroll Keeper. 20

A member of this Fund failing to pay the dues thereof on or before the last stated meeting in each month of the Circle or Home may be expelled from the Fund without notice by a vote of the Circle or 30

Home. Expelled members of this Fund failing to be re-elected within thirty days from date of expulsion must pay all indebtedness charged, and must be in possession of all the qualifications of a new member. In every case of a re-election, registration certificates must be executed in accordance with Section 1, except as provided for in Section 13 of this Article.

10 Any member being registered in the Fund prior to March 1, 1910, making application in writing any time before January 1, 1913, shall, at the option of the member, be transferred from one Division to the other, and until such application is made the Supreme Scroll Keeper shall classify each member according to the dues the member has been paying. But any member of Division 2 desiring to be transferred to Division 1 must pay the dues of that Division from March 1, 1910. Any person desiring to be transferred from Division 2 to Division 1 after
20 a new member and pay dues as of attained age.

Section 27 was amended so that it reads:

Section 27. Five per cent. of the monthly receipts of this Fund shall be added to the Reserve Fund of the respective Divisions and deposited in banks or trust companies paying interest. The depositories for the Reserve Fund to be designated by the Supreme Trustees.

A new Section was inserted to be known as Section 28:

30 Section 28. That the Reserve Fund held by the Supreme Circle shall be equitably divided by apportioning it among the whole membership in proportion to the duration of membership; and that portion set apart for members of Division 1, together with the accumulation that may come to it under

these laws, shall be and remain a trust fund separate and distinct for losses arising in Division 1; and that portion set apart for members of Division 2, together with the accumulation that may come to it under these laws, shall be and remain a trust fund separate and distinct for losses arising under Division 2; and under no circumstances or at no time shall the trust fund of one Division be liable for or be taken to pay losses arising under the other Division.

A new Section was inserted, to be known as Section 29: 10

Section 29. The moneys of the Death Benefit Fund, including the Reserve Fund, shall be held in trust by the Supreme Circle and shall be and remain a separate trust for each Division thereof; and the moneys held in trust for one Division shall at no time or under any circumstances be liable for the debt or obligation of the other Division, but each Division shall be and remain a separate and distinct trust.

Sections 28 and 29 of the old law were renumbered 20 so that they will be Sections 30 and 31.

December, 1914, for the purpose of winding up the affairs of the corporation of the Supreme Circle.

2. These defendants admit the facts set out in paragraph 2 to be true.

3. These defendants admit the facts set out in paragraph 3 of said bill to be true.

10 4. These defendants deny the facts set out in paragraph 4 of said bill and charge the fact to be that they are not true.

5. These defendants deny the facts set out in paragraph 5 of said bill and charge the fact to be that they are not true.

20 6. These defendants deny the facts set out in paragraph 6 of said bill and charge that they are not true, other than that the said Supreme Circle, Brotherhood of America, did at one time hold mortgages upon the premises for the amounts set out in said bill.

7. These defendants deny the facts set out in paragraph 7 of said bill and charge that they are not true.

8. These defendants admit the facts set out in paragraph 8 of said bill.

30 9. These defendants admit the facts set out in paragraph 9 of said bill.

10. These defendants deny the facts set out in paragraph 10 of said bill.

11. These defendants deny the facts set out in paragraph 11 of said bill.

12. These defendants admit the facts set out in paragraph 12 of said bill.

13. These defendants deny the facts set out in paragraph 13 of said bill and charge that they are not true.

14. These defendants deny the facts and averments set out in paragraph 14 of said bill and charge the contrary to be true. 10

15. These defendants charge that the officers of the former Supreme Circle turned over to the said complainant all of the funds in their hands belonging to the Supreme Circle, to be distributed according to law, and that they are uninformed as to whether any or how many claims have been presented to him or how much they amount to, but aver the fact to be that at the time said receiver was appointed, there were no unpaid claims owing by the Supreme Circle, Brotherhood of America. 20

16. These defendants deny the facts and averments set out in paragraph 16 of said bill and charge the contrary to be true.

17. These defendants deny the facts set out in paragraph 17 of said bill and charge the contrary to be true. 30

18. These defendants admit that the said defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, as trustees, hold said mortgages and

are collecting the principal and interest thereon, and are not applying the proceeds thereof for the benefit of deceased members of the Brotherhood of America, but are applying the same for the use and benefit of those only for whom they were assigned.

19. These defendants deny the facts set out in paragraph 19 of said bill.

And further answering said bill we aver:

10

20. That the Brotherhood of America is a secret fraternal beneficial order or society, which was organized in the year 1847, in the City of Philadelphia, under the name of the Brotherhood of the Union, and it has been in continuous existence from that time to the present. It is composed of Circles, whose members are men only, and of Homes made up of both men and women, with Grand Circles and Grand Homes in several of the States to which the Circles and Homes therein are subordinate, and who, in turn with the Circles and Homes in States where there are no grand bodies, are subordinate to the Supreme Circle, which is representative in character and is the supreme national controlling head of the entire order. In the year 1905, the name of the order was changed to Brotherhood of America, by which name it has since been known and is now recognized and established in Pennsylvania, New Jersey, Delaware, New York, Connecticut, Maryland and
20 Washington, D. C., with a total membership of more
30 than twenty thousand in number.

21. That prior to the year 1896, the Supreme Circle conducted its business as an unincorporated beneficial society or order, but on or about September

2nd of that year it was incorporated under the laws of the State of New Jersey, under the name of Supreme Circle, Brotherhood of the Union, by which it was known until on or about December 21, 1905, when it was lawfully changed to that of Supreme Circle, Brotherhood of America, and by its new name conducted its business as a corporation until, by proceedings duly taken under the laws of New Jersey, the charter obtained in that State was surrendered on the thirtieth day of September, 1914, and the corporation dissolved.

10

22. That in the year 1890, a Funeral Benefit Fund was created which provided for the payment of \$500 upon the death of a member; for several years preceding the year 1910, the dues paid by the member being the flat rate of fifty cents per month with the right of the Supreme Circle to increase them to sixty cents under certain contingencies. In the beginning, while the membership was young, the deaths were few, and the flat rate of dues was more than sufficient to meet the death claims, and by the year 1909, the reserve fund, together with the mortuary fund, amounted in the aggregate to \$153,856.55. As the membership, however, grew older, the number of deaths increased, and it became evident that if the payment of death benefits was to be continued, the dues would have to be increased, otherwise complete insolvency would result with an absolute loss of benefits to the surviving members or their beneficiaries, who in their old age would be without any protection whatever. To avert this inevitable calamity under the then existing laws, the Supreme Circle and its officers long and carefully considered the situation from every possible standpoint and finally concluded that the Death Benefit Fund could only live

20

30

and meet its accruing obligations by increasing the monthly dues and grading these dues according to age of the members at the time of their admission to the fund. To this end, at the annual session of the Supreme Circle held in May, 1909, in the way and manner provided by its laws, and in strict conformity therewith, the laws of the Death Benefit Fund were changed and amended, the flat rate of dues was abolished, and a new rate established, graduated on the basis of age as aforesaid; and it

10 was then provided that said new rates of dues should be in full force and effect on and after March 1st, 1910.

23. That these new rates were accepted and approved by upwards of ninety per cent. of the members of the order, but some of the members in New Jersey not being satisfied therewith, Hamlet Poole, one of their number, on or about March 1, 1910, filed a class bill in the Court of Chancery of New Jersey,

20 praying for an injunction to restrain the Supreme Circle from enforcing and collecting the new rates of dues upon the ground that the dues fixed by the laws at the time he joined the fund, constituted a contract between him and the Supreme Circle, and that the proposed change was illegal and void and in violation of his contractual rights. Upon the filing of the bill an order was made by the Chancellor restraining the Supreme Circle, *pendente lite*, from collecting and enforcing the payment of the

30 increase of dues over the old monthly rate of fifty cents and from expelling any member for failure to pay the same. Subsequently thereto and pending final determination of the cause, this restraining order was modified by the Chancellor so that the Supreme Circle was permitted to collect the increased

dues from the members with the understanding, however, that such payments would be regarded as being made under protest, without any formal protest being entered, so that if the suit should finally be determined in their favor they would all receive the benefit thereof. Said cause was so proceeded with that at the June Term of the Court of Errors and Appeals, 1912, approved the final decree of this court restraining the enforcement of the graded rate of dues.

24. That upon the final determination of said proceeding in the Court of Chancery of New Jersey, it was ascertained by careful tabulation and examination that the excess dues paid under said modified order of the Chancellor as aforesaid to the Supreme Circle, amounted in the aggregate to the sum of \$113,595.15, all of which had to be repaid to the members and due payment of which was demanded by many of them under threats of suits therefor.

25. That prior to the increase of the dues as aforesaid and pending the determination of said proceedings in the Court of Chancery of New Jersey as aforesaid, the number of deaths increased very rapidly, the receipts at the old rates were much less than the death claims, and it became necessary to draw upon the reserve fund to make up the deficiency. The form of placing five per cent. of the net income of the reserve fund was still continued, but it was off-set by the payment of losses far exceeding the amount. To meet the death claims and the excess dues to be repaid the members under the decision of the New Jersey Court of Chancery as aforesaid, a resolution was passed at a special session of the Supreme Circle duly called and held in Philadel-

10

20

30

phia, July 30, 1912, which ordered and directed "that the Supreme Trustees be fully authorized and empowered to withdraw from the reserve fund such sums as may be necessary to pay the excess sums received as dues to the Death Benefit Fund and outstanding claims to date under the law in effect and force March 1, 1910."

26. That pending the determination of said cause in the Court of Chancery of New Jersey as aforesaid,
10 the money received in payment of the excess dues as aforesaid was used by the Supreme Circle in the payment of death claims as they accrued. The Supreme Circle had at that time all the mortgages described in plaintiff's bill herein as part of its Death Benefit Fund. They were all good and safe investments, yielding not less than five per cent. interest, and as the money received for excess dues was on deposit and drawing but two per cent. interest, it was deemed advisable and proper, and to the best
20 interest of the members and of the fund, to hold the mortgages intact, not to sell them to meet the accruing death claims, but to use the moneys received from the excess dues in the payment of such claims, and at the final determination of said proceeding in New Jersey, if it should be adverse to the Supreme Circle, the moneys represented by said mortgages could be used in the reimbursement of said excess dues to the members entitled thereto.

30 27. That after the year 1910, a few members were taken into said Death Benefit Fund agreeing to pay the graded rate of dues, but upon the expressed condition and understanding that all other members of the fund would make the same payment; and that when it was finally decided that the payment could

not be enforced against the other members, their contract also failed, and they in turn by the contract of settlement agreed that their contract, so far as it required them to pay the sum of fifty cents monthly, should stand; and that all other dues should be returned, thus putting them on an equality with other members.

28. That of these excess dues so paid to the Supreme Circle as aforesaid, \$24,695.82 was refunded in cash to certain of the members on demand. Those members to whom the balance of \$88,893.33 was due, knowing that the Death Benefit Fund could not be maintained under the old rate of dues, and that its insolvency was made certain by the refusal of the Court of Chancery of New Jersey to sustain the increased rates which would leave them without any protection whatever, and being desirous of securing this protection through the medium of an independent and separate organization, met in the City of Philadelphia and organized a voluntary Death Benefit Fund Association, fixed the dues and the amount of benefits to be paid, and elected their officers, among them being the three of us, the said George W. Heinecke, Albert L. Welsh and John R. Wills, who were then elected and are still its trustees. These said members decided not to take their excess dues as aforesaid in cash for their own personal use, but that the full amount thereof should be paid over to said trustees for their use and benefit. The money for this purpose was not in the possession of the Supreme Circle. It held the mortgages referred to in plaintiff's bill which were of the face value of \$89,800.00, and to collect those overdue or to sell any or all of them if possible at once, meant not only a possible loss of some magnitude but much delay in

the making of a final settlement with the members. To save this loss and delay and in the best interest of the members of the fund and of the Supreme Circle, said trustees agreed with the Supreme Circle to take the mortgages at their face value in full settlement of their respective claims by them represented. They purchased said mortgages at their face value of \$89,800.00 paid to the Supreme Circle \$900.67 in cash, and executed and delivered to the Supreme Circle a full release and discharge for the

10 \$88,899.33 so due to the members as aforesaid. Under its laws, the Supreme Circle had full power and authority to dispose of all of the said mortgages, and under their agreement as aforesaid, by an assignment duly made and executed, they were all properly assigned and delivered to the said trustees for and in behalf of said Death Benefit Fund Association, and by them they are now held for the said association, to be used only for the objects and purposes of its organization; and from and immediately after the execution and delivery of said assignment, the said Supreme Circle had no further interest or estate of any kind or character in said mortgages or any of them. The action of the offices of the Supreme Circle in making said settlement and the assignment of said mortgages to the members of the Death Benefit Fund Association by direction of the members to whom the money was due, and in full of their claims against the Supreme Circle, was duly

20 reported to and unanimously approved by the Supreme Circle at its annual session held in May, 1914, and these defendants pray that they may be hence

30 dismissed with our reasonable costs and charges in this behalf most wrongfully sustained.

JOHN F. HARNED,
*Sol'r and of Counsel with
answering Defendants.*

STATE OF PENNSYLVANIA, }
CITY OF PHILADELPHIA, } ss.

H. B. Walter, being duly sworn on his oath says that he is one of the defendants above named and for this purpose the agent of George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, William M. Hearn, Samuel Harris, Thomas L. Gage, H. B. Walter, George W. Dannenhower, Henry I. Yohn, Hilton Taylor and Charles W. Bacon, that the matters and things therein set forth in the above named answer so far as they relate to his own acts and deeds are true, and so far as they relate to the acts and doings of others, he believes them to be true. 10

H. B. WALTER.

Sworn and subscribed before me this twenty-third day of April, 1915.

SAMUEL A. BELSITE, 20
Notary Public.

RULE TO SHOW CAUSE.
 IN CHANCERY OF NEW JERSEY.

Between JOHN G. HORNER, Receiver, <i>Complainant,</i> and GEORGE W. HEINECKE, <i>et al.,</i> <i>Defendants.</i>	}	ON BILL. RULE TO SHOW CAUSE.	10
---	---	------------------------------------	----

This cause coming on to be heard in the presence of Oscar B. Redrow, of counsel with the complainant, and upon reading and filing the bill and affidavits thereto attached. 20

It is on this eighth day of March, nineteen hundred and fifteen, ordered that the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John E. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational Association, 30

show cause before the Chancellor at the Chancery Chambers at the Court House, in the City of Camden, on Monday, the fifteenth day of March, A. D. nineteen hundred and fifteen, at ten o'clock in the forenoon, or as soon thereafter as counsel can be heard, why an injunction should not be allowed and issued according to the prayer of complainant's bill.

- And it is further ordered that in the meantime and until the further order of this court, that the said George W. Heinecke, Albert L. Welsh and John R.
- 10 Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, and each of them, be enjoined and restrained from disposing, selling or transferring in any manner whatsoever, any, each, or all of the securities or mortgages set out in the complainant's bill, and from collecting any moneys for principal and interest on the same, and also that the defendants, William
- 20 M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational Association, be hereby restrained from paying any and all moneys that may be due or may hereafter become due and payable for interest and principal on said mortgage or securities to any defendants herein.

- And it is further ordered that a copy of the bill
- 30 and affidavits thereto annexed, and this rule and restraining order, which copies need not be certified, be served upon the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, or on those that reside in this State, and be served on those who reside out of this State by mailing, within three days from the date hereof.

And it is further ordered that a copy of this rule or restraining order, which copy need not be certified, be served on the defendants, William M. Hearn, H. B. Walter, George B. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert, and The Maxwell Improvement and Educational Association, or on those that reside in this State, and be served on those who reside out of this State by mailing, within three days from the date hereof. 10

E. R. WALKER,
C.

Respectfully advised,
E. B. LEAMING,
V. C.

20

STATE OF NEW JERSEY, }
CAMDEN COUNTY, } ss.

Oscar B. Redrow, being duly sworn on his oath deposes and says, that he is solicitor of the complainant, that on March 8, 1915, to each of the following, to wit:

George W. Heinecke, #2417 Frankford Avenue, Philadelphia, Pa.; Albert L. Welsh, #4265 Paul St., Philadelphia, Pa.; John R. Wills, #5540 Crowson Street, Philadelphia, Pa.; William M. Hearn, Laurel, Delaware; H. B. Walter, #2208 Frankford Avenue, Philadelphia, Pa.; George W. Dannenhauer, #2408 Frankford Avenue, Philadelphia, Pa.; Henry I. 30

Yohn, Room #114, City Hall, Philadelphia, Pa.; Charles W. Bacon, #2135 N. Ninth Street, Philadelphia, Pa.; Samuel Harris, #422 S. Twenty-first Street, Philadelphia, Pa., and William M. Shivers, Philadelphia, Pa., that each of the envelopes were addressed to the above named parties at the address given after their names, that each envelope contained a copy of the rule to show cause, a copy of which is hereto attached, each envelope had postage prepaid and were deposited in the Camden Post Office on the day aforesaid, by this deponent. Deponent further says that each of the envelopes addressed to George W. Heinecke, Albert L. Welsh and John R. Wills aforesaid, also contained a copy of the bill heretofore filed in this cause in addition to the rule to show cause; and that all of said envelopes referred to in this affidavit had the name of this deponent and his address in the upper left-hand corner.

OSCAR B. REDROW.

20

Sworn and subscribed before me this 12th day of March, A. D. 1915.

MARION B. WALLS,
*Commissioner of Deeds of
New Jersey.*

30

AFFIDAVIT OF SERVICE.

IN CHANCERY OF NEW JERSEY.

Between

JOHN G. HORNER, Re-
ceiver,

Complainant,

and

GEORGE W. HEINECKE,
et al.,

Defendants.

10

ON BILL.
AFFIDAVIT OF
SERVICE.

STATE OF NEW JERSEY,
CAMDEN COUNTY,

} ss.

20

Chester N. Steelman, of full age, being duly sworn on his oath, deposes and says that he served a copy of the rule to show cause made in the above matter on March 8, 1915, a copy of which is hereto attached, on Emma B. Burton, at No. 56 Curtis Avenue, in the City of Woodbury, County of Gloucester and State of New Jersey, on Wednesday, the tenth day of March, nineteen hundred and fifteen, personally; he also served John H. Heaton with a copy of the rule to show cause aforesaid, on Tuesday, the ninth day of March, nineteen hundred and fifteen, personally, at No. 21 Broadway, Camden, New Jersey, and informed him that he was made a defend-

30

ant in the place and stead of William M. Shivers, as the owner of promises No. 21 Broadway, Camden, N. J.

CHESTER N. STEELMAN.

Sworn and subscribed before me this 12th day of March, A. D. 1915.

MARION B. WALLS,
*Commissioner of Deeds of
New Jersey.*

10

STATE OF NEW JERSEY, }
CAMDEN COUNTY, } ss.

Oscar B. Redrow, being duly sworn on his oath, deposes and says that he is solicitor of the complainant in the above stated cause, that he served a copy of the rule to show cause made in the above stated
20 cause on March 8, 1915, a copy of which is hereto attached, on Rebecca S. Cooper, at Palmyra, Burlington County, New Jersey, on Wednesday, the 10th day of March, nineteen hundred and fifteen.

OSCAR B. REDROW.

Sworn and subscribed before me this 12th day of March, A. D. 1915.

MARION B. WALLS,
*Commissioner of Deeds of
New Jersey.*

30

REPLICATION.

IN CHANCERY OF NEW JERSEY.

Between				
JOHN G. HORNER, Re-	}	ON BILL FOR INJUNC-	<u>10</u>	
ceiver,				tion AND RELIEF.
				REPLICATION.
	and			
GEORGE W. HEINECKE,	}			
<i>et al.</i> ,		Def'ts.		

The complainant joins issue to the answer of the defendants. 20

OSCAR B. REDROW,
Sol'r for and of Counsel
with Compl't.

ORDER OF REFERENCE.

IN CHANCERY OF NEW JERSEY.

<u>10</u>	Between JOHN G. HORNER, Re- ceiver, and GEORGE W. HEINECKE, <i>et al.</i> ,	} <i>Compl't,</i> <i>Def'ts.</i>	ON BILL FOR INJUNC- TION AND RELIEF. ORDER OF REFERENCE.
-----------	--	--	--

20 It is, on this 5th day of May, one thousand nine hundred and fifteen, on motion of Oscar B. Redrow, of counsel with the complainant, ordered, that the above stated cause be referred to the Honorable Edmund B. Leaming, one of the Vice-Chancellors of this court, to hear the same for the Chancellor and to report thereon to him and advise what order or decree should be made therein.

E. R. WALKER,
C.

30 I hereby consent to the making of the above order.
 JOHN F. HARNED,
Sol'r of Defendants.

A true copy.

ROBERT H. McADAMS,
Clerk.

NOTICE.

IN CHANCERY OF NEW JERSEY.

10	Between JOHN G. HORNER, Re- ceiver, and GEORGE W. HEINECKE, <i>et al.</i> ,	}	ON BILL FOR INJUNC- TION AND RELIEF. NOTICE.
	<i>Compl't,</i>		
	<i>Def'ts.</i>		

20 *To John F. Harned, Solicitor of Defendants:*

Take Notice:

The complainant desires to contest the accuracy of the answering affidavits filed by you in the above stated cause, and for that purpose hereby gives you notice to produce before our Chancellor, (E. B. Leaming, Vice-Chancellor), on Monday, the twelfth day of April, A. D. nineteen hundred and fifteen, at 30 the hour of ten o'clock in the forenoon, or as soon thereafter as the matter can be heard, at the Chancery Chambers, at the Court House at Camden, New Jersey, the persons who subscribed to the affidavits filed by you, to wit, H. B. Walter, Henry I. Yohn, Albert L. Welsh, John R. Wills and Charles M. Bacon, for cross-examination.

You are further notified to produce at the same time and place, a true copy of the restraining order and opinion of then Vice-Chancellor Walker, in the case of Poole vs. Supreme Circle, Brotherhood of America, and set out in the affidavit of H. B. Walter.

You are further notified to produce at the same time and place, the laws of the Supreme Circle, Brotherhood of America, as in effect in December, 1909; also the laws of said order or association as effective March 1, 1910; also the laws of said association as adopted by it on or about July 30, 1912; also the amendment of said laws adopted by said association in May, 1913; also any other laws affecting the funds in dispute enacted or enforced by said association since March 1, 1910. 10

You are further notified to produce at the same time and place, each, every and all powers of attorney, paper or other instruments, of the following form, to wit:

“Division 1. 20

To the Supreme Circle, Brotherhood of America :

I hereby authorize and direct the Supreme Trustees to pay my Equity in the Death Benefit Reserve Fund, Brotherhood of America, into the Reserve Fund of Division 1 of which it is my desire to be a member, and do hereby agree to abide by all laws governing same now in force or that may hereafter be enacted.

Date.....

Name 30

Address,

City State

.....Circle,

Home,

No...of..”

which were signed by any and all members of said

association, and also the original letter of George W. Heinecke, Supreme Washington, attest, H. B. Walter, Supreme Scroll Keeper, bearing date, August 19, 1912, and addressed "To all Circles and Homes of the Brotherhood of America."

You are further notified to produce at the same time and place, all "Power of Attorneys" which it is claimed authorized George W. Heinecke, Albert L. Welsh and John R. Wills to collect money and hold it for their use.

- 10 You are further notified to produce at the same time and place, the original minute book of said association in which the following resolution appears.

"That the Supreme Trustees be fully authorized and empowered to withdraw from the Reserve Fund such sums as may be necessary to pay the excess sums received as dues to the Death Benefit Fund, and outstanding claims to date, under the law in effect and force March 1, 1910."

- 20 You are further notified to produce at the same time and place, all books of account or otherwise of said association (1) showing the amount and nature of the Reserve Fund of said association on the following dates, to wit, December 31, 1909, December 31, 1910, December 31, 1911, July 30, 1912, December 31, 1912, and December 31, 1913, April 8, 1914; (2) showing the tabulations of so-called excess dues and when made; (3) dates when, from whom and in what amounts payments were made of so-called excess dues; (4) dates when, to whom and in
30 what amounts such dues were returned.

OSCAR B. REDROW,
*Solicitor for and of Counsel
with Compl't.*

ORDER FOR INJUNCTION.

IN CHANCERY OF NEW JERSEY.

Between	}	ON BILL. ORDER.	10
JOHN G. HORNER, Re-			
ceiver,			
Complainant,			
and	}		
GEORGE W. HEINECKE,			
et al.,			
Defendants.			

This matter being opened to the Court by Oscar 20
 B. Redrow, solicitor of the complainant, and it ap-
 pearing that the complainant has filed a bill of com-
 plaint against the defendants to recover certain se-
 curities and mortgages and to be relieved touching
 the matters and things set forth.

And it further appearing that the said cause com-
 ing on to be heard in our said Court of Chancery,
 before E. B. Leaming, Vice-Chancellor, at the Chan-
 cery Chambers at Camden, New Jersey, on Monday,
 the twelfth day of April, nineteen hundred and fif- 30
 teen, in the presence of Oscar B. Redrow, solicitor of
 the complainant, and John F. Harned, solicitor of
 the defendants, it was ordered that the said defend-
 ants in order to collect the interest and principal of
 said mortgages must give a bond in an amount to be

determined on application for that purpose, conditioned to retain within this State and within the jurisdiction of this court the said moneys so collected, for the return of such moneys as may be collected by them during the pendency of this suit.

And whereas, it further appearing that the said defendants have failed to furnish or file said bond and have made no application concerning the fixing of the amount thereof;

It is, on this ninth day of June, A. D. nineteen
10 hundred and fifteen, ordered that an injunction issue against the said defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William R. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, enjoining and restraining them from collecting any moneys for principal and interest on said mortgages or securities during the
20 pendency of this suit and until the further order of this Court and also enjoining and restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert, and The Maxwell Improvement and Educational Association, from paying any money whatever that may be due or may hereafter become due and payable for interest and principal on said mortgage securities to any of the defendants
30 herein named during the pendency of this suit and until the further order of this Court.

Respectfully advised,

E. B. LEAMING,

V. C.

(Copy)

WRIT OF INJUNCTION.

NEW JERSEY, to wit: The State of New Jersey to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational Association. 10

Whereas, it has been represented to us, in our Court of Chancery, on the part of John G. Horner, receiver, complainant, that he lately exhibited a bill of complaint against you, the said George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon, Samuel Harris, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie L. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational Association, defendants, to recover certain securities and mortgages and to be relieved touching the matters and things set forth in said bill, and 20 30

Whereas, the said matter coming on to be heard

in our said Court of Chancery before Honorable E. B. Leaming, Vice-Chancellor, at the Chancery Chambers, at Camden, New Jersey, on Monday, the twelfth day of April, nineteen hundred and fifteen, and in the presence of Oscar B. Redrow, solicitor of the complainant, and John F. Harned, solicitor of the defendants, it was ordered that the said defendants in order to collect the interest and principal of said mortgages must give a bond in an amount to be determined on application for that purpose, 10 conditioned to retain within this State and within the jurisdiction of this court, the said moneys so collected for the return of such moneys as may be collected by them during the pending of this suit, and

Whereas, it further appears that the said defendants have failed to furnish on file said bond, and have made no application concerning the filing of the amount thereof.

We, therefore, in consideration of the premises, 20 and of the particular matters set forth in the said bill, do strictly enjoin and restrain you, the said George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William M. Hearn, H. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, from disposing, selling or transferring in any manner whatsoever, any, each or all of the securities or mortgages set out in the complainant's bill, and 30 from collecting any moneys for principal and interest on the same during the pendency of this suit and until our said court shall have made order to the contrary, and do strictly enjoin and restrain you, the said William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Mag-

gie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert, and The Maxwell Improvement and Educational Association from paying any moneys whatsoever that may be due or may hereafter become due and payable for interest and principal on said mortgages or securities to any of the defendants herein named, during the pendency of this suit, and until our said court shall have made order to the contrary.

Witness, his Honor Edwin R. Walker, our Chancellor, at Trenton, the 14th day of June, in the year of our Lord one thousand nine hundred and fifteen.

ROBERT H. McADAMS,
Clerk.

OSCAR B. REDROW,
Solicitor.

ORDER TO COLLECT.

(Filed June 15/15.)

IN CHANCERY OF NEW JERSEY.

10

Between

JOHN G. HORNER, Re-
ceiver,*Complainant,*
andGEORGE W. HEINECKE,
*et al.,**Defendants.*ON BILL.
ORDER.

20

This matter being opened to the Court by Oscar B. Redrow, solicitor of the complainant, and it appearing that a writ of injunction was issued in the above stated cause on the 14th day of June, A. D. nineteen hundred and fifteen, against the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, George W. Heinecke, Albert L. Welsh, John R. Wills, William R. Hearn, N. B. Walter, George W. Dannenhauer, Henry I. Yohn, Hilton Taylor, Charles W. Bacon and Samuel Harris, enjoining and restraining them from col-

lecting any moneys for principal and interest on said mortgages or securities during the pendency of this suit and until the further order of this court and also enjoining and restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia L. Spellerberg, Jessie Kennedy, Linda W. Franklin, Rebecca S. Cooper, Charles Lambert and The Maxwell Improvement and Educational Association, from paying any money whatever that may be due or may hereafter become due and payable for interest and principal on said mortgage securities to any of the defendants herein named during the pendency of this suit and until the further order of this court, and it further appearing that interest has and will hereafter during the pendency of this suit accrue on said mortgages and securities and that the principal sums of said mortgages are now due or may during the pendency of this suit become due and payable. 10

It is, thereupon, on this 15th day of June, A. D. 20 nineteen hundred and fifteen, ordered that Thomas E. French, Esquire, one of the Special Masters of this court, is hereby appointed and authorized to receive any and all moneys now due or that hereafter may become due for principal and interest on any and all of the mortgages and securities set forth in the bill of complaint during the pendency of this suit and until the further order of this court.

And it is further ordered that any and all payments made by any of the mortgagors, their heirs, 30 executors or administrators, and assigns, for principal and interest on any and all of the mortgages and securities set forth in the bill of complaint, during the pendency of this suit and until the further order of this court, to the said Thomas E. French,

68 *Special Master's Report of Receipt of Money*

Special Master, shall be operative to discharge the
lien of the securities and mortgages therefor.

E. R. WALKER,
C.

Respectfully advised,
E. B. LEAMING, V. C.

A true copy.
ROBERT H. McADAMS,
Clerk.

10

**SPECIAL MASTER'S REPORT OF RECEIPT OF
MONEY.**

IN CHANCERY OF NEW JERSEY.

20

Between
JOHN G. HORNER, Re-
ceiver,

Compl't,

and

GEORGE W. HEINECKE,
et al.,

Def'ts.

ON BILL, &C.
SPECIAL MASTER'S
REPORT OF RECEIPT
OF MONEY.

30

*To the Honorable Edwin Robert Walker, Chancellor
of the State of New Jersey:*

I, Thomas E. French, the Special Master desig-
nated in the order of this court, made in this cause

on the fifteenth day of June, nineteen hundred and fifteen, to receive certain moneys therein mentioned, do respectfully report that on the sixteenth day of June, nineteen hundred and fifteen, Horace F. Nixon, attorney of John H. Heaton, paid to me, four thousand one hundred and thirty-one dollars and sixty-seven cents on account of a mortgage made by William M. Shivers to Supreme Circle, Brotherhood of the Union, dated April twentieth, eighteen hundred and ninety-eight, of record in the office of the Register of Deeds, of the County of Camden, in Book 76 of Mortgages, page 656, which amount is represented to be the principal of said mortgage, \$4,000.00, and interest in arrear to the date of payment. That I gave said Horace F. Nixon a receipt for said funds and that I deposited them the same day in the Camden Safe Deposit and Trust Company to the credit of Thomas E. French, Master in Chancery.

Respectfully submitted this seventeenth day of June, nineteen hundred and fifteen.

THOMAS E. FRENCH,
Special Master.

AMENDMENT TO ANSWER.

(Filed Oct. 30/15.)

IN CHANCERY OF NEW JERSEY.

10

Between

JOHN G. HORNER, Re-
ceiver,*Complainant,*

and

GEORGE W. HEINECKE,
*et al.,**Defendants.*ON BILL, ETC.
AMENDMENT TO
ANSWER.

20

The answer heretofore filed in this cause, by leave of this court having been first obtained, is amended as follows:

30 Sec. 28. That of these excess dues so paid to the Supreme Circle as aforesaid, \$24,695.82 was refunded in cash to certain of the members on demand. Those members to whom the balance of \$81,229 was due, knowing that the Death Benefit Fund could not be maintained under the old rate of dues, and that its insolvency was made certain by the refusal of this court to sustain the increased rates, and being desirous of securing protection through the medium of an independent and separate organization, met

in the City of Philadelphia and organized a voluntary Death Benefit Fund Association, fixed the dues and the amount of benefits to be paid, and elected their officers, among them being the three of us, the said George W. Heinecke, Albert L. Welsh and John R. Wills, who were then elected and are still its trustees. These said members decided not to take their excess dues as aforesaid in cash for their own personal use, but that the full amount thereof should be paid over to said trustees for their use and benefit. The money for this purpose was not in the possession of the Supreme Circle. It held the mortgages referred to in the plaintiff's bill which were of the face value of \$89,800.00, and to collect those overdue or to sell any or all of them, if possible, at once, meant not only a possible loss of some magnitude but much delay in the making of a final settlement with the members. To save this loss and delay and in the best interest of the members of the fund and of the Supreme Circle, said trustees agreed with the Supreme Circle to take the mortgages at their face value in full settlement of their respective claims by them represented. They purchased said mortgages at their face value of \$89,800.00, paid to the Supreme Circle \$900.67 in cash, and executed and delivered to the Supreme Circle a full release and discharge for the \$88,899.33, \$81,229.00 of which was due for excess dues actually paid and \$7,670.33 for interest actually earned and received by the Supreme Circle on said sum. Under its laws the Supreme Circle had full power and authority to dispose of all of the said mortgages, and under their agreement as aforesaid, by an assignment duly made and executed, they were all properly assigned and delivered to the said trustees for and in behalf of said Death Benefit Fund Association, and by them

they are now held for the said association to be used only for the object and purposes of its organization; and from and immediately after the execution and delivery of said assignment, the said Supreme Circle had no further interest or estate of any kind or character in said mortgages or any of them. The action of the officers of the Supreme Circle in making said settlement and the assignment of said mortgages to the members of the Death Benefit Fund Association by direction of the members to whom
10 the money was due, and in full of their claims against the Supreme Circle, was duly reported to and unanimously approved by the Supreme Circle at its annual session held in May, 1914, and these defendants pray that they may be hence dismissed with our reasonable costs and charges in this behalf most wrongfully sustained.

JOHN F. HARNED,
Solicitor for Defendants.

20

30

CONCLUSIONS.

IN CHANCERY OF NEW JERSEY.

Between JOHN G. HORNER, Receiver, <i>Complainant,</i> and GEORGE W. HEINECKE, <i>et al., Trustees, Etc.,</i> <i>Defendants.</i>	}	ON BILL FOR IN- JUNCTION AND RELIEF. HEARING AT RETURN OF ORDER TO SHOW CAUSE. CONCLUSIONS.	10
---	---	---	----

OSCAR B. REDROW, Esq., for Complainant. JOHN F. HARNED, Esq., for Defendants.	20
--	----

LEAMING, V. C.:

If the matters set forth in the affidavits filed in behalf of defendants at the return of the order to show cause are wholly accurate I am convinced that a preliminary injunction should not be issued. 30

It is entirely clear that the money representing what has been denominated "excess dues" cannot be properly regarded as money at any time belonging to the corporation. By order of the Chancellor the corporation was permitted to receive these ex-

cess dues pending a final determination by the courts of the right of the corporation to carry out its proposed new scheme of operation which called for the payment of dues at the graduated rate. It would seem that the excess moneys so received should have been kept separate; but it is reasonably obvious that in practice such a course would have been highly burdensome if not wholly impracticable. If accurate accounts were kept of these excess dues for the purpose of preserving the rights of the persons making the payments it is clear that their temporary use for the legitimate needs of the corporation was in no way operative to destroy the rights of the persons who made the payments to their return. The corporation at no time became the owner of these excess dues; it held them as trustee for the parties making the payments; had these excess dues been kept separate and intact the assets of the corporation would have been necessarily drawn upon to exactly the same extent that they were subsequently drawn upon in transferring and restoring the aggregate amount. Although the transfer of these securities assumed the external form and appearance of a preference of creditors, its inherent nature was clearly the restoration of trust funds.

If complainant desires to contest the accuracy of the figures disclosed in the answering affidavits, opportunity for that purpose should be granted before the order to show cause is finally disposed of. If to do so complainant desires access to the books of accounts of the corporation such access can be had; but if complainant is content to accept the accuracy of the answering affidavits touching the amount of the excess dues and the existence of the powers of

attorney for their repayment I will advise an order discharging the order to show cause.

Submitted: March 15, 1915.

Determined: March 26, 1915.

CONCLUSIONS.

IN CHANCERY OF NEW JERSEY. 10

Between JOHN G. HORNER, Re- ceiver, &c., <i>Complainant,</i> and GEORGE W. HEINECKE, <i>et als., Trustees, &c.,</i> <i>Defendants.</i>	}	ON BILL, &c. ON RULE TO SHOW CAUSE, &c. CONCLUSIONS.	20
---	---	---	----

OSCAR B. REDROW and JOHN G. HORNER, for Com-
 plainant.
 JOHN F. HARNED, for Defendants.

LEAMING, V. C. (Orally): 30

If I thought you could get any new information from cross-examination of the witnesses, of course, I would make an order at once for them to be cross-

examined, but if there is nothing new to be discovered by this cross-examination I do not want to take that time.

Mr. Horner: We think we can get the same thing, if your Honor please, on final hearing, if we are protected as to the principal of these securities.

The Vice-Chancellor: Well, the interest on these securities ought to be paid. They do not want the
10 principal, as I understand it.

Mr. Harned: We could not dispose of the principal if we wanted to.

The Vice-Chancellor: Well, I will dissolve the restraint so far as the interest is concerned.

Mr. Horner: If your Honor please, as I am advised, all these trustees are non-residents.

20 Mr. Harned: Yes; these trustees are non-residents.

Mr. Horner: Might it be somewhat modified to provide that the fund be deposited in some banking institution in this State so we could have some kind of a control over it?

The Vice-Chancellor: Well, it is needed for use,
30 isn't it?

Mr. Horner: I think not.

The Vice-Chancellor: Isn't it needed for expenses?

Mr. Harned: I don't think it is needed, I don't think any of it will be used; at the same time, I do not think that we ought to be tied up to bring it into this State. Nine-tenths of these people live in Pennsylvania, and the courts there are open to them if there is any difficulty about getting interest, and these are all responsible people, owning their own homes.

The Vice-Chancellor: What plan, Judge Horner, could you suggest that would be practicable to keep that interest intact? 10

Mr. Horner: I am perfectly willing it should be deposited in a bank in this State in the name of the three trustees and be only paid out on their order and the check counter-signed by Mr. Harned.

Mr. Harned: I think the Court ought to permit them to collect their own interest.

The Vice-Chancellor: But they are non-residents, Mr. Harned. 20

Mr. Harned: But even so, the courts of Pennsylvania are open to these people. They have got the same bill pending in Pennsylvania, exactly the same thing over there in the Pennsylvania courts. The amount of interest they would collect is insignificant compared to the principal of the fund, and surely under any circumstances, according to their own showing, a large portion of it we are entitled to. I do not think it should be held up in that manner. 30

Mr. Redrow: We haven't given up our first contention that we are entitled to all of it. I do not agree with what Mr. Harned says.

The Vice-Chancellor: How much is this interest?

Mr. Harned: About \$1,500, I suppose, between now and the final hearing of the case.

The Vice-Chancellor: Well, I will make any order with reference to the collection of the interest you may want, Mr. Harned, providing you will make some plan by which there can be some certainty that it will be forthcoming, if demanded, at final hearing. Now, you can make whatever arrangement you find most convenient in that respect. It ought not to leave the State unless there is some security left behind it. You can adopt any plan that suggests itself to you. If you choose, they can give bond for its return and go ahead and collect it; that would perhaps be the simplest way; or any one of them can collect it for the benefit of all, giving bond for its return, in case the order of the Court requires its return at final hearing. The complainant is probably entitled to have the *corpus* that is in controversy preserved until final hearing.

Heard and determined April 12, 1915.

TESTIMONY.

Before his Honor, E. B. LEAMING, Vice-Chancellor,
at the Chancery Chambers, Camden, New Jersey, on
Tuesday, September 14th, 1915.

APPEARANCES:

OSCAR B. REDROW, Esq., for complainant;
JOHN F. HARNED, Esq., for defendants.

10

Mr. Redrow: I would like to offer in evidence the
order of this Court bearing date December 14th,
1914, by Edwin Robert Walker, Chancellor of the
State of New Jersey, in the case of William J. Mc- 20
Clain vs. Supreme Circle, Brotherhood of America,
appointing a receiver.

The Vice-Chancellor: There is no denial that com-
plainant is receiver, is there?

Mr. Redrow: Yes, there is a denial; it is denied
by the answer.

Mr. Harned: Oh, no; it is not.

30

Mr. Redrow: I would also like to offer in evi-
dence the bond filed by John G. Horner, receiver,
and also the oath of office filed by John G. Horner,
receiver.

Mr. Harned: There is no denial of that.

Mr. Redrow: If your Honor please, I introduce for identification only the journals of the Supreme Circle, Brotherhood of the Union, for the years 1891 to 1905, inclusive, and the journals of the Supreme Circle, Brotherhood of America, from 1906 to 1915, inclusive. These journals it is admitted, I understand, Mr. Harned, comprise the minutes of the Supreme Circle?

10

Mr. Harned: They are the minutes of the Supreme Circle.

Mr. Horner: And also the by-laws and constitution and so on?

Mr. Redrow: Well, we will have to prove that.

Mr. Harned: I have no doubt they contain them
20 because it is necessary for them to be printed in there.

The Vice-Chancellor: Well, they may be admitted for purpose of identification. Whatever minutes you desire to direct the Court's attention to will have to be specifically identified. It is impossible for the Court to read that mass of minutes.

30

HOWARD CALLINGHAM, a witness produced in behalf of the complainant, being duly sworn according to law, on his oath says:

By Mr. Redrow:

Q. Mr. Callingham, what is your business?

A. Public accountant.

Q. How long have you been employed as such?

A. Eight years.

Q. Are you a graduate of any college?

A. Yes, sir.

Q. What college?

A. University of Pennsylvania.

Q. Were you employed by the receiver in this case?

A. Yes, sir.

Mr. Redrow: Do you want to ask any questions, Mr. Harned?

10
20

Mr. Harned: I am satisfied he is an accountant.

Q. Have you gone over the minutes of the books which have recently been introduced for identification?

A. I have.

Q. What do you find there pertaining to the amount of dues to be paid by each individual member from the institution of the fund up to the present time?

30

Mr. Harned: It seems to me that is not a question for an expert.

The Vice-Chancellor: It is not a question in dispute, is it? Is there any doubt about it?

Mr. Harned: I don't think so.

The Vice-Chancellor: Can't you stipulate it right now?

Mr. Redrow: I am perfectly willing to stipulate it if Mr. Harned is.

10

The Vice-Chancellor: See if you can stipulate it.

A. Fifty cents a month.

The Vice-Chancellor: If you can stipulate it, it will save a lot of time.

20

Mr. Redrow: It is agreed between counsel that the journal of 1897, on page 148, articles 11, 12 and 13, sets out the funeral fund law at that time; that was that the members should pay fifty cents a month and their beneficiary should receive at their death the sum of \$500, with certain prescriptions, and if they did not pay their dues they would be expelled; to her death and for about twenty years prior thereto that the laws adopted at that time were printed in the journal of 1898, and section 14, on page 181 of the journal of 1898, provides, "The dues to this fund shall be fifty cents per month for all members of the

30

same; provided, however, that when the receipts of this fund for any month, together with the cash in hand, are not sufficient to pay the liabilities for such month the trustees shall increase the monthly dues to sixty cents until the income and cash in hand shall equal the liabilities." Section 15 provides,

“The death benefit of a member of this fund dying within 183 days from date of admission, with nephritis (Bright’s disease), phthisis pulmonalis (consumption), or valvular disease of the heart, shall be five dollars and no more. In all other cases it shall be five hundred dollars.”

The Vice-Chancellor: These were the laws of the society, were they—the by-laws?

Mr. Redrow: They were. Section 20, on page 183, provides, “Five per cent. of the monthly receipts shall be added to the reserve fund, the same to be deposited in banks or trust companies paying interest, said depositories to be designated by the trustees, or to be invested in such manner as the Supreme Circle may direct. No appropriation shall be made from the reserve fund except for the payment of funeral benefits for members, and then only by a vote of the Supreme Circle, at an annual or special session.”

20

The Vice-Chancellor: Aren’t these by-laws set out in your bill?

Mr. Redrow: Yes, and denied by the answer.

The Vice-Chancellor: Are they denied, Mr. Harned?

Mr. Harned: Oh, no; I don’t think they are denied by the answer at all.

30

The Vice-Chancellor: What is the use of making proof of these matters that are not in dispute at all?

Mr. Harned: There is not a particle of use.

The Vice-Chancellor: Mr. Redrow, did you say they are denied by the answer?

Mr. Redrow: Judge Horner has the papers and I would be very glad to have the answer read.

Mr. Horner: If your Honor please, the bill of complaint says, paragraph 4, "Your orator further shows," &c., "for certain death benefit fund, the reserve fund," and then goes on quite at length, then
10 5 says that they had certain by-laws, that five per cent. of the monthly receipts should be added to the reserve fund and deposited in banks or trust companies paying interest, such depository to be designated by the trustees, or to be invested in such manner as such trustees shall direct, that no appropriation shall be made from the reserve fund except the payment of death benefits, and then only by the approval of the Supreme Circle. Now, the answer says, "4. These defendants deny the facts set forth
20 in paragraph 4 of the bill and charge the fact to be they are not true. 5. These defendants deny the facts set out in paragraph 5," &c., and "that they are not true." Now, if I can understand the English language that is a denial.

Mr. Harned: The difficulty is you have run in some other facts in your statement of the by-laws and we had to deny it in order to deny those facts.

30 The Vice-Chancellor: I do not think so, Mr. Harned. If a part of a paragraph is true and a part is false your answer should segregate it and save this trouble. The penalty for that kind of pleading is to strike out the answer. It is not proper pleading to deny what is not in dispute; it leads to

just what is happening. Go on with your proofs; I do not know how we can avoid taking them in view of the denials in the answer.

Mr. Redrow: Section 21, page 184, provides that "An amount equal to five cents per capita for each member in the fund on the first day of January of each year shall be paid to the general fund, and no other appropriation shall be made from this Funeral Benefit Fund except in pursuance of the provisions of the law governing the same." 10

Mr. Harned: 1898 you were reading then?

Mr. Horner: Yes.

Mr. Redrow: In the journal of 1909, on page 118, section 26, provides, "An amount equal to fifteen cents per capita for each member in the fund on the first day of January of each year shall be paid to the General Fund, and no other appropriation shall be made from this fund except as provided for in these laws." In 1909, page 114, section 14, provides for a change in the monthly dues, it says "The regular monthly dues of all members of this fund shall be as of the age when admitted thereto as follows: For members of class A." 20

The Vice-Chancellor: Well, now, is this a matter of dispute at all?

Mr. Redrow: I am perfectly willing to stipulate. It is denied in the answer. 30

Mr. Harned: It isn't in dispute, that is certain.

Mr. Redrow: We are perfectly willing to intro-

duce the journal. I offer section 14, page 114, and sections 26 and 27, on page 118 of the 1909 journal.

(Said by-laws read as follows: "Sec. 14. The regular monthly dues of all members of this fund shall be as of the age when admitted thereto as follows:

FOR MEMBERS OF CLASS A.

10	From 16 years and not over 21 years of age	40c.
	“ 21 “ “ “ “ 26 “ “ “	45c.
	“ 26 “ “ “ “ 31 “ “ “	50c.
	“ 31 “ “ “ “ 36 “ “ “	60c.
	“ 36 “ “ “ “ 41 “ “ “	75c.
	“ 41 “ “ upwards	90c.

FOR MEMBERS OF CLASS B.

20	From 16 years and not over 21 years of age	20c.
	“ 21 “ “ “ “ 26 “ “ “	23c.
	“ 26 “ “ “ “ 31 “ “ “	25c.
	“ 31 “ “ “ “ 36 “ “ “	30c.
	“ 36 “ “ “ “ 41 “ “ “	38c.
	“ 41 “ “ upwards	45c.

30 Provided, however, that when the total receipts of this fund from the regular monthly dues thus rated and classified together with the funds in the hands of the Supreme Treasurer are not sufficient to meet the liabilities of any month, the Supreme Trustees shall increase ten cents upon each member of this fund, and continue said increase until such time as the total income from the dues and the amount of cash in the hands of the Supreme Treasurer shall equal all liabilities. The Supreme Scroll

Keeper must notify all Circles and Homes in every case of increase of dues levied by the Supreme Trustees, and Circles and Homes must likewise notify their respective membership of all such notices received from the Supreme Scroll Keeper. A member of this fund failing to pay the dues thereof on or before the last stated meeting in each month of the Circle or Home may be expelled from the fund without notice by a vote of the Circle or Home. Expelled members of this fund failing to be re-elected within thirty days from date of expulsion, must pay all indebtedness charged, and must be in possession of all the qualifications of a new member. In every case of a re-election, registration certificates must be executed in accordance with Section 1, except as provided for in Section 13 of this Article. 10

Sec. 26. An amount equal to fifteen cents per capita for each member in the fund on the first day of January of each year shall be paid to the General Fund, and no other appropriation shall be made from this fund, except as provided for in these laws. 20

Sec. 27. Five per cent. of the monthly receipts of this fund, shall be added to the reserve fund, and deposited in banks or trust companies, paying interest. The depositories for the reserve fund to be designated by the Supreme Trustees.”)

The Vice-Chancellor: That was the first increase in dues? 30

Mr. Redrow: The first one.

The Vice-Chancellor: The one that was contested in the Court of Errors?

Mr. Redrow: In the Poole case, yes.

The Vice-Chancellor: Now, why not let the record here show that the validity of that by-law was taken to the Court of Errors and Appeals and the by-law declared invalid,—is that correct?

Mr. Redrow: No, it was not declared invalid, our contention is, concerning every member.

10 The Vice-Chancellor: Isn't that the original one which changed the flat rate to the graduated rate?

Mr. Redrow: Yes. We are willing to have the record admitted for what it says, but we are not willing to admit that the decision in that case changed the rate of dues of anyone but the class to which Poole belonged.

20 The Vice-Chancellor: Well, don't admit what you don't want to, but I do not understand what you mean. I thought that was a by-law doing away entirely with the flat rate, and that its validity was contested and it was held to be invalid by the Court of Chancery and afterwards by the Court of Appeals. Wasn't that the case?

30 Mr. Redrow: The situation in that case from our standpoint is this: That after this law changing the rate of dues was passed and adopted about ninety per cent. according to their own statement agreed to pay the excess dues. There was, of course, the other ten per cent., to which Poole belonged, who did not agree to pay it. This bill which was filed by Poole, was a class bill, and then Vice-Chancellor Walker repeatedly refers to it as the class which

Poole represents. It is our contention that the class which Poole did represent, which was a class that paid fifty cents and wouldn't pay any more, are entitled to whatever relief they get from that decision, but the other class agreed and consented to the increase in dues and voluntarily paid it over a period of perhaps two years, knowing all the circumstances surrounding it, and being benefited by an order where perhaps they wouldn't have to pay it nevertheless continued to pay the increased dues, and also members who joined the order during the pendency of this suit with full knowledge of what was going on. 10

The Vice-Chancellor: Well, then, let your stipulation be that it was declared invalid as against the complainant in that suit.

Mr. Redrow: Yes.

Mr. Harned: Why not just introduce the record of the case and let it show for itself? 20

The Vice-Chancellor: Yes. It is not a matter of dispute at all. Let the record show that that by-law was brought in question in the case of Poole against Supreme Circle, Brotherhood of America, and a decree entered in favor of the complainant, as will appear by the files in that suit, which may be referred to for accuracy, and the decree of the Court of Chancery was afterwards affirmed by the Court of Appeals. 30

Mr. Redrow: The 1913 journal shows the laws enacted on July 30th and 31st, 1912. I offer Section 13, on pages 234 and 235, and Section 14, on page

236; page 237, Section 15, also Section 16; page 238, Sections 17, 18, 19, 20 and 21; page 239, 22 and 23; page 240, 24, 25, 26, 27 and 28.

(Said by-laws read as follows:

“Section 13. Division 1 shall be composed of all members of the Death Benefit Fund who were admitted on or after March 1, 1910, and such members admitted prior to that date who shall elect to become members of said division. Division 2 shall be
10 composed of all other members not included in Division 1.

The benefit to be paid upon the death of a beneficial member of either division of this fund shall be as follows:

CLASS A.

	Dying within one year from date of last admission	\$100
20	Dying within two years from date of last admission	\$200
	Dying within three years from date of last admission	\$300
	Dying within four years from date of last admission	\$400
	After four years from date of last admission	\$500

CLASS B.

30	Dying within one year from date of last admission	\$ 50
	Dying within two years from date of last admission	\$100
	Dying within three years from date of last admission	\$150

Dying within four years from date of last admission	\$200
After four years from date of last admission	\$250

If, at any time, a member is expelled from this fund, such member may be re-elected thereto within thirty days from said expulsion without regard to age, upon the payment of a penalty of fifty cents, if under forty-five years of age, and a penalty of one dollar if over forty-five years of age. One-half of the penalty must be forwarded to the Supreme Scroll Keeper. 10

Provided, that the dues and death benefit of such re-elected member shall be and remain as before expulsion.

In case of the re-election of a member to this fund, notice of such re-election, on a form provided for this purpose, must be forwarded to the Supreme Scroll Keeper within four days, accompanied by a certificate of a reputable physician, certifying that such re-elected member was in good health. 20

And provided further, that the above scale of benefits shall not affect the contract of any member admitted prior to the date when these laws became operative.

Section 14. The regular monthly dues of members of Division 1 of this fund shall be as of the age when admitted thereto as follows:

FOR MEMBERS OF CLASS A.

From 16 yrs. and not over 21 yrs. of age,	40c.	30
21 " " 26 " "	45c.	
26 " " 31 " "	50c.	
31 " " 36 " "	60c.	
36 " " 41 " "	75c.	
41 " upwards,	90c.	

FOR MEMBERS OF CLASS B.

From 16 yrs. and not over 21 yrs. of age,	20c.
21 " " 26 " "	23c.
26 " " 31 " "	25c.
31 " " 36 " "	30c.
36 " " 41 " "	38c.
41 " upwards,	45c.

The regular monthly dues of members of Division 2 of this fund shall be fifty cents per month for all members of the same. All dues are due and payable upon the first day of the month. Provided, however, that when the total receipts of this fund, for either division, from the regular monthly dues thus rated and classified, together with the funds in the hands of the Supreme Treasurer, belonging to such division, are not sufficient to meet its liabilities of any month, the Supreme Trustees shall increase ten cents upon each member of said division, and
 20 continue said increase until such time as the total income from the dues and the amount of cash in the hands of the Supreme Treasurer belonging to said division shall equal all liabilities. The Supreme Scroll Keeper must notify all circles and homes in every case of increase of dues levied by the Supreme Trustees, and circles and homes must likewise notify their respective membership of all such notices received from the Supreme Scroll Keeper.

A member of this fund failing to pay the dues
 30 thereof on or before the last stated meeting in each month of the Circle or Home may be expelled from the fund without notice by a vote of the Circle or Home. Expelled members of this fund failing to be re-elected within thirty days from date of expulsion must pay all indebtedness charged, and must

be in possession of all the qualifications of a new member. In every case if a re-election, registration certificates must be executed in accordance with Section 1, except as provided for in Section 13 of this article.

Any member being registered in the fund prior to March 1, 1910, making application in writing any time before January 1, 1913, shall, at the option of the member be transferred from one division to the other, and until such application is made, the Supreme Scroll Keeper shall classify each member according to the dues the member has been paying. 10
But any member of Division 2 desiring to be transferred to Division 1 must pay the dues of that division from March 1, 1910. Any person desiring to be transferred from Division 2 to Division 1, after January 1, 1913, must possess all the qualifications of a new member and pay dues as of attained age.

Section 15. Circles and Homes shall make duplicate monthly reports of all Death Benefit Fund business, as per form furnished. One copy must be 20
forwarded to the office of the Supreme Circle on or before the third day of each month, with the amount due for each member of this fund on the roll, in the office of the Supreme Circle, on the first day of the preceding month. The other copy shall be kept on file by the Circle or Home. Circles and Homes must remit to the Supreme Scroll Keeper on or before the third day of every month, the amount due for each member of this fund as appearing on the records of the Supreme Circle, which 30
the Supreme Scroll Keeper must promptly acknowledge by a written receipt, and shall forward therewith a statement of claims paid, with date and cause of same, and such other information as may

be desirable. A Circle or Home failing to forward such monthly report and dues as required above shall be fined \$1.00.

Section 16. If a Circle or Home fails to remit as required by Section 15, on or before the 15th day of the month, after being notified by the Supreme Scroll Keeper of such delinquency, such Circle or Home and members thereof shall stand expelled from this fund without further notice, and shall thereby forfeit membership therein until said Circle
10 or Home has paid the full amount of the indebtedness, including the fine imposed. If such indebtedness is not paid within thirty days from date of forfeiture of membership, all members thus expelled and desiring to be re-elected to the fund must possess all of the qualifications of new members, in accordance with Section 1.

Section 17. All business of this fund transacted by Circles and Homes, other than the collection of its dues, such as notices to register members, ex-
20 pulsions, withdrawals, transfers, resignations and deaths, must be reported to the Supreme Scroll Keeper within twenty-four hours upon blank forms provided for such purpose. In all cases of expulsion from this fund notice of such expulsion must be in possession of the Supreme Scroll Keeper on the fourth day of the month, subsequent to the date of expulsion, but prior to the first meeting in the month following such transaction. A Circle or Home failing to comply with this law shall be
30 charged with the full amount of dues notwithstanding such expulsion.

Section 18. A member of Class B desiring to be transferred to Class A shall be transferred thereto upon signing the registration certificate of such class and agreeing to its provisions upon the same

conditions as a new member, at the same time furnishing a certificate from a well-known and reputable physician that such applicant is in sound mental and physical health at the time, and furthermore paying thereafter such dues as are required at the attained age of said applicant.

Section 19. Should a member of Class A desire to be transferred to Class B, the said transfer shall be made by the Circle or Home without any probation or change of rate as to attained age.

Section 20. In all cases of transfer in either class, 10
due notice must be given of the desired transfer, under seal of the Circle or Home to the Supreme Scroll Keeper, subject to his approval and until such approval has been obtained, no transfer shall be effective.

Section 21. All members when admitted to this fund shall designate in the registration certificate the person or persons to whom the benefit of this fund, due at death, shall be paid, who shall, in every instance, be one or more members of his or her family, or related by blood, or who shall be dependent upon the member, or an affianced husband or wife. 20
If one or more of the beneficiaries shall die during the lifetime of a member, the surviving beneficiaries shall be entitled to the benefit equally, unless otherwise provided in the designation; and if all the beneficiaries shall die during the lifetime of a member, who has made no other direction in the manner provided by these laws, or shall have failed to designate a beneficiary, the benefit shall be paid to his widow, 30
if any; or to her husband, if any; if he or she leave no widow or husband, then to his or her children in equal shares, grandchildren to take the share to which their deceased parent would be entitled, if living; if no children, or their issue, then to his

or her mother, if living; if no mother, then to his or her father, if living. Should there be no one living at the death of a member, entitled to receive said benefit under his or her direction, or the provisions hereof, the Circle or Home shall be reimbursed for the funeral expenses incurred, and the balance shall revert to the reserve fund of the Supreme Circle.

10 Section 22. A member of this fund desiring to change beneficiary or beneficiaries, subject to these laws, must make designation upon the form provided for that purpose through the medium of the Circle or Home of which such person is a member. The fee for change of beneficiary shall be twenty cents, one-half of which shall be forwarded to the Supreme Scroll Keeper with the designation, the balance to be retained by the Circle or Home.

20 Section 23. Upon the death of a beneficial member of this fund the Honorable Scroll Keeper of the Circle or Home of which the deceased was a member shall immediately send notice of such death on a form provided for that purpose to the Supreme Scroll Keeper, who shall immediately forward a blank proof of death to the Honorable Scroll Keeper requesting the same. Satisfactory proofs of death shall be made by the beneficiary or beneficiaries of the deceased member, or if the beneficiary be a minor child or an incompetent person, such proof shall be furnished by the legal guardian, and the facts set forth therein shall be binding upon the parties presenting it.

30 Section 24. Upon the approval of any claim for benefit by the Supreme Trustees, the amount found to be due shall be forwarded to the Circle or Home by a voucher made payable to the person or persons properly entitled thereto, and such voucher shall be promptly transmitted.

Section 25. Any person or persons, whether members of the order or not, making a claim under these laws for a benefit, which has been refused or rejected by the Supreme Trustees, must appeal from such decision to the Supreme Circle and its decision shall be final. Such appeal must be in writing and be filed in the office of the Supreme Circle within thirty days from the date when the decision of the Supreme Trustees was made. No suit or action in any court of law shall be brought by any person or persons to recover any claim under these laws until such person or persons shall have first exhausted the laws of the order by appeal to the Supreme Circle; and no such suit shall be maintained unless the same is instituted within six months after the right of action accrues. 10

Section 26. An amount equal to fifteen cents per capita for each member in the fund on the first day of January, of each year, shall be paid to the general fund, and no other appropriation shall be made from this fund, except as provided for in these laws. 20

Section 27. Five per cent. of the monthly receipts of this fund shall be added to the reserve fund of the respective divisions and deposited in banks or trust companies paying interest. The depositories for the reserve fund to be designated by the Supreme Trustees.

Section 28. That the reserve fund held by the Supreme Circle shall be equitably divided by apportioning it among the whole membership in proportion to their life expectancy, and that portion set apart for members of Division 1, together with the accumulations that may come to it under these laws, shall be and remain a trust fund separate and distinct for losses arising in Division 1; and that portion set apart for members of Division 2, together 30

with the accumulations that may come to it under these laws, shall be and remain a trust fund separate and distinct for losses arising under Division 2; and under no circumstances or at no time shall the trust fund of one division be liable for or be taken to pay losses arising under the other division.”)

10 Mr. Redrow: The journal of 1913 also shows that Section 28 was changed in the following particulars: “That the reserve fund held by the Supreme Circle shall be equitably divided by apportioning it among the whole membership in proportion to their life expectancy,” the amendment of 1912 being, “according to duration of membership.”

Mr. Harned: And that was reviewed in this court in the Parks case.

Mr. Horner: Complainant will admit that but does not think it is a part of his proof.

20 The Vice-Chancellor: It may as well be stipulated now as at some other time that the files in these several suits testing the validity of these several by-laws which have been referred to may be considered as in evidence and referred to for the purpose of disclosing accurately what was determined by the litigation.

Mr. Redrow: We are willing to agree to that.

30 Mr. Harned: That is agreed to.

By Mr. Redrow:

Q. Mr. Callingham, have you gone over these sev-

eral minutes here to ascertain whether or not the securities mentioned in the complainant's bill were investments of the reserve fund?

A. I have.

Q. Have you compiled a statement showing when each of these investments was taken?

A. I have.

Q. Have you that statement with you?

A. I have.

Mr. Harned: The investments speak for themselves. They were certainly taken at the time they were dated. I presume this statement is right but I haven't any means of testing it. The securities will speak for themselves. 10

The Vice-Chancellor: Let him testify that it is correct and it may be used as a sheet upon which you may examine. There is no use of taking the time to read off the figures, that will do no good.

Q. Mr. Callingham, is that a correct statement made by you from the minutes as they appear in the several journals of the several securities which were alleged in the complainant's bill as having been transferred? 20

A. It is.

Q. And are the dates here given correct?

A. According to the journal, yes.

The Vice-Chancellor: Well, let it be marked so that it will stand as the witness' testimony the same as if read off by him, and then hand it to Mr. Harned, and it can be copied into the minutes or made an exhibit if you desire. 30

(Said paper marked Exhibit C1.)

Q. Mr. Callingham, that sheet which you have just been shown and which has been marked C1,—does that represent investments of the reserve fund?

A. Yes, sir.

Q. As shown in the printed books of minutes of the Supreme Circle?

A. Yes, sir.

Q. And also in the other books, the cash books and ledger, which you have gone over?

A. Yes, sir.

10 Q. Mr. Callingham, did you make an investigation to ascertain who the officers of the Supreme Circle were on May 14th, 1914?

A. I did, sir.

Q. Who did you find were the officers?

A. I find in journal of 1914, on page 95, the following officers were elected: Supreme Washington, Samuel Harris; Supreme Jefferson, Thomas L. Gage; Supreme Franklin, Albert L. Welsh; Supreme Trustee, Charles M. Bacon. In the journal of 1913,
20 on page 166, I find the following officers elected: Supreme Scroll Keeper, H. B. Walter; Supreme Treasurer, George W. Dannenhauer, elected for two years; Supreme Trustee, Hilton Taylor, elected for three years. In the journal of 1912, page 91: Supreme Trustee, Henry I. Yohn, for three years.

Q. Now, Mr. Callingham, have you gone over the by-laws as contained in the minutes here, which you have, to ascertain who has control over the Death Benefit Fund and reserve fund?

30 A. I have, sir.

Q. Who did you find has control over it, according to those laws?

A. According to the journal of 1897, on page 126, Section 1 there shows the duties of the Supreme Washington, and Section 5 the duties of the Supreme

Scroll Keeper, Section 6, Supreme Treasurer, Section 10, Supreme Trustees; also in the journal of 1913, on page 146, under the article earmarked "Duties of Officers," Section 1, Supreme Washington; Section 5, Supreme Scroll Keeper; Section 6, Supreme Treasurer; Section 10, Supreme Trustees.

Q. As a result of your investigation and of these by-laws, as a sort of a summary, who did you find had control over the Death Benefit Fund and reserve fund?

10

Mr. Harned: I object to that. That is a conclusion of law. Let them produce the by-laws; they speak for themselves.

The Vice-Chancellor: Yes, those by-laws will speak for themselves. If there is any dispute about that it can be argued.

Mr. Redrow: We will offer the by-laws referred to by the witness.

20

The Vice-Chancellor: Let them be considered in evidence without reading them.

(Said by-laws read as follows: Journal of 1897, page 125:

"ARTICLE VI.

Duties of Officers.

Section 1. The Supreme Washington shall preside at all meetings of the Supreme Circle, preserve order, enforce the laws, rules and regulations therein, decide all questions of order, subject to an appeal by two members, appoint all committees not otherwise provided for. He shall pass upon all findings of the Committees on Law and Appeals, ap-

30

prove or disapprove the same; in case of approval the matter shall be considered closed finally, unless disapproved by the Supreme Circle at the next annual session. In case of disapproval, he shall refer the matter to the Supreme Circle in session. He shall determine upon and communicate the Quarterly Word to the Supreme Scroll Keeper. During the interim of sessions he shall have power to grant charters for Grand Bodies, Circles and Homes where no Grand Bodies exist. Fill all vacancies, until the
10 next annual election. Upon his installation he shall appoint the following committees, consisting of three members: Law and Appeals. He shall exercise a general supervision over the order. He shall be ex-officio a member of all branches of the order and of all committees. Upon applying for membership in any Home or Grand Home of the order, under seal of his office, the Home or Grand Home shall confer the ritualistic ceremonies upon him, and he shall be recorded as a member of the jurisdiction in which
20 he holds subordinate membership, paying such financial obligations as the law governing may provide. He shall attest all orders lawfully drawn upon the treasury. A full report of his official acts shall be submitted to the Supreme Circle at the annual session. All necessary expenses incurred in the discharge of his duties shall be paid by the Supreme Circle.

Section 5. The Supreme Scroll Keeper shall keep
30 a correct record of the proceedings of the Supreme Circle, also of the secret sessions, in separate books provided for the purpose, keep a correct account between the Supreme Circle and all bodies under its jurisdiction and with the Circles and Homes relative to the Funeral Benefit Fund, receive all monies due the Supreme Circle, promptly acknowledge the

receipt of all payments made and pay the same over to the Supreme Treasurer weekly, taking his receipt therefor. He shall keep a register of all Grand Exalted Washingtons in good standing, prepare and have present at the beginning of each annual session, a roll of the duly elected representatives, as well as a list of those entitled to the Grand Exalted Washington Degree. He shall deliver to the Trustees, unopened, all election returns received. Conduct all correspondence appertaining to his office, attend to the securing of a suitable hall for holding the sessions, and perform such other duties as may be required of him, by the Supreme Laws and the Supreme Circle. He shall submit his books for audit quarterly, or whenever required by the Trustees, and submit a full report at each annual session. He shall be provided with an office, where he shall be in attendance daily (Sunday excepted) and on Wednesday and Saturday evenings. He shall give a bond with security to the amount of five thousand dollars, to be approved by the Trustees, for the faithful performance of his duties. He shall receive for his services \$100.00 per annum, and in addition thereto, an amount equal to ten cents for each member in the Funeral Benefit Fund, on the first day of July of each year.

10

20

Section 6. The Supreme Treasurer is the custodian of all funds. He shall keep a correct and separate account of all monies received, pay all orders when properly drawn, and attested and approved by the Trustees, keep a correct account of the receipts and disbursements, submit his books and vouchers for audit quarterly, or whenever required by the Trustees, and submit a full report at each annual session. He shall receive for his services the sum of \$25.00 per annum, and in addition

30

thereto, an amount equal to one-half cent per member in the Funeral Benefit Fund, as computed in the foregoing section. Previous to entering upon his duties, he shall give a bond, with security, to the amount of five thousand dollars, to be approved by the Trustees, for the faithful performance of his duties.

- Section 10. The Trustees shall superintend the financial affairs of the Supreme Circle, audit the books and vouchers of the Supreme Scroll Keeper and Supreme Treasurer, as follows: The General Fund, quarterly or oftener; the Funeral Benefit Fund, monthly or oftener. Examine all claims of whatsoever kind, and, if found correct, approve the same, and approve all orders drawn on the Supreme Treasurer; contract for the printing of the journal, and all other printing, when the amount shall exceed the sum of \$10.00. They shall procure an office for the use of the Supreme Circle and its officers. They shall compute the mileage of those entitled to the same; open the returns and count the votes for representatives to the Supreme Circle, from Circles and Homes under the immediate jurisdiction of the Supreme Circle, and declare the result; a plurality of votes shall constitute an election. Receive and hold the bonds of the Supreme Scroll Keeper and Supreme Treasurer, and perform such additional duties as may be required of them by the Supreme Laws and the Supreme Circle. They shall submit a full report to the Supreme Circle at each annual session. They shall each receive \$10.00 per annum, and in addition thereto an amount equal to one-half cent per member of the Funeral Benefit Fund, as per Article VI, Section 5.

Journal of 1913, page 146:

ARTICLE VI.

Duties of Officers.

Section 1. The Supreme Washington shall preside at all meetings of the Supreme Circle, preserve order, enforce the laws, rules and regulations therein, decide all questions of order, subject to an appeal by two members, appoint all committees not otherwise provided for. He shall pass upon all findings of the Committees on Law and Appeals, approve or disapprove the same; in case of approval the matter shall be considered closed finally, unless disapproved by the Supreme Circle at the next annual session; in case of disapproval, he shall refer the matter to the Supreme Circle in session. He shall determine upon and communicate the Password to the Supreme Scroll Keeper. During the interim of sessions he shall have power to grant Charters for Grand Bodies, Circles and Homes, where no Grand Bodies exist; and to arrest the charter of and suspend a Circle or Home under the jurisdiction of Grand Bodies which shall violate any law of the Supreme Circle, or which shall refuse to comply with any mandate thereof, and after trial and conviction revoke the charter of such offending Circle or Home, and fill all vacancies until the next annual election.

Upon his installation he shall appoint a committee on Law, a Committee on Appeals, each consisting of three members. He shall exercise a general supervision over the order. He shall be ex-officio a member of all branches of the order and of all committees. Upon applying for membership in any Home or Grand Home of the order, under seal of the Supreme Circle, the Home or Grand Home shall confer the ritualistic ceremonies upon him, and he shall

be recorded as a member of the jurisdiction in which he holds subordinate membership, paying such financial obligations as the law governing may provide. He shall sign all vouchers lawfully drawn upon the treasury. A full report of his official acts shall be submitted to the Supreme Circle at the annual session. All necessary expenses incurred in the discharge of his duties shall be paid by the Supreme Circle.

Section 5. The Supreme Scroll Keeper shall keep
10 a correct record of the proceedings of the Supreme Circle, and of all secret sessions, in separate books; keep a correct account between the Supreme Circle and all bodies under its jurisdiction, and with the Circles and Homes relative to the Death Benefit Fund; receive all moneys due the Supreme Circle, promptly acknowledge the receipt of all payments made and pay the same over to the Supreme Treasurer, taking his receipt therefor. He shall keep a
20 register of all Grand Exalted Washingtons in good standing, prepare and have present at the beginning of each annual session a roll of the Past Supreme Washingtons, officers and duly elected representatives, as well as a list of those entitled to the Grand Exalted Washington Degree. He shall deliver to the Trustees, unopened, all election returns received. Conduct all correspondence appertaining to his office, attend to the securing of a suitable hall for holding the sessions, and perform such other duties as may be required of him by the Supreme Laws and
30 the Supreme Circle. He shall submit his books for audit quarterly, or whenever required by the Trustees and submit a full report at each annual session. He shall be provided with an office where he shall be in attendance daily. He shall give bond with security to the amount of \$5,000.00, to be approved by the

Trustees, for the faithful performance of his duties. He shall receive for his services \$200.00 per annum, from the General Fund, and in addition thereto the sum of \$1,400.00 from the Death Benefit Fund. He shall have power to appoint a clerk, who shall receive the sum of \$1,200.00 per annum from the Death Benefit Fund. The employees of the Supreme Scroll Keeper must be approved by the Supreme Trustees.

Section 6. The Supreme Treasurer is the custodian of all funds not otherwise provided for. He shall keep a correct and separate account of all monies received, sign all vouchers when properly drawn and when previously signed by not less than three authorized officers of the Supreme Circle, two of whom must be Supreme Trustees; keep a correct account of the receipts and disbursements; submit his books and vouchers for audit quarterly, or whenever required by the Trustees, and submit a full report at each annual session. He shall receive for his services the sum of \$25.00 per annum, from the General Fund, and, in addition thereto, an amount equal to one cent per member in the Death Benefit Fund, on the first day of July of each year. Previous to entering upon his duties he shall give a bond with security to the amount of \$10,000.00, to be approved by the Trustees, for the faithful performance of his duties. He shall deposit all funds received by him in a national bank or trust company, to be designated by the Trustees, in the name of the Supreme Circle, to be drawn upon only by vouchers signed by the Supreme Washington, Supreme Scroll Keeper, Supreme Treasurer and the Supreme Trustees, or any four of them .

Section 10. The Trustees shall superintend the financial affairs of the Supreme Circle, audit the

books and vouchers of the Supreme Scroll Keeper and Supreme Treasurer as follows: The General Fund quarterly or oftener, the Death Benefit Fund monthly or oftener; examine all claims of whatsoever kind, and if correct approve the same; sign all vouchers drawn on the Supreme Treasurer; contract for the printing of the journal and all other printing when the amount shall exceed the sum of \$10.00. They shall procure an office for the use of the Supreme Circle and its officers. Open the re-

10 turns and count the votes for representatives to the Supreme Circle from Circles and Homes under the immediate jurisdiction of the Supreme Circle, and declare the result; receive and hold the bonds of the Supreme Scroll Keeper and Supreme Treasurer, and all securities and investments; they shall compute the mileage and per diem of those entitled thereto, and perform such additional duties as may be required of them by the laws and the Supreme Circle. They shall each receive \$25.00 per annum,

20 from the General Fund, and in addition thereto, an amount equal to one cent per member in the Death Benefit Fund, on the first day of July of each year. The secretary of the Trustees shall receive as additional compensation for his services the sum of \$100 per annum. They shall submit a full report at each annual session.”)

By Mr. Redrow:

- 30 Q. Did you also look at the vouchers—
 A. Yes, sir.
 Q. —of the Reserve Fund and Death Benefit Fund?
 A. Yes, sir.
 Q. And who were those vouchers executed by?

A. I will get one. Here is one I just pulled out. Number 22, signed by Henry Yohn, Hilton Taylor, Charles M. Bacon, Supreme Trustees; George W. Dannenhauer, Supreme Treasurer; George W. Heinecke, Supreme Washington; H. B. Walter, Supreme Scroll Keeper; it is a voucher drawn for \$8,069.45.

Q. Did you find all the vouchers signed by the same officers?

A. Except when the Supreme Washington changes.

10

Q. By title?

A. Yes.

Q. Mr. Callingham, was your attention called to the assignment of mortgage executed by the Supreme Circle on or about April 9th, 1914, in this examination?

A. No, sir.

Q. Do you know whether an assignment was made or not? Hasn't your attention been called to it by Judge Horner and myself?

20

A. I was told an assignment was made but I never found any record of it.

Q. Did you make an examination of all the books in the possession of Judge Horner, Receiver of the Brotherhood of America?

A. Yes, sir.

Q. Did you find any time during the last five years where any money was received by the reserve fund from the defendants in this case, Heinecke, Welsh and Wills, or from any other person, in consideration of the assignment of these mortgages amounting to approximately \$90,000?

30

A. I find no consideration from the trustees to the reserve fund; no, sir.

Q. Or from anybody else to the reserve fund for them?

A. No, sir.

Q. Who do you mean by the trustees?

A. Mr. Heinecke, Mr. Welsh and Mr. Wills.

The Vice-Chancellor: Well, there is no dispute about what the actual transaction was, is there?

Mr. Redrow: It seems as though there is.

The Vice-Chancellor: How can there be?

10

Mr. Redrow: I think that will come out later on, if your Honor please. We are not in a position to state now. It seems to me it is a part of our case and we should show that there was no consideration.

The Vice-Chancellor: It is a part of your case to show everything in dispute, but what is the use of showing anything that is not in dispute?

20

Mr. Redrow: I understand it is in dispute.

The Vice-Chancellor: There is a dispute as to whether or not the consideration is a valid one and there was legal justification on their part to transfer these excess dues, that is the legal dispute, but there is no dispute between the parties concerning what they undertook to do and what they claim to have done, which was to transfer these excess dues pursuant to authorization from the men to whom they say these excess dues belong, is there?

30

Mr. Redrow: That is one dispute, but suppose it should appear that all these excess dues had been paid a year before the assignment was made?

The Vice-Chancellor: Well, there is no dispute about that, is there? I understand what is called excess dues, and which excess dues the defendants turned back to the men who paid them, or to their order, are dues which were paid by members during the period of these controversies in amounts in excess of the dues which were authorized by the by-laws which were not set aside.

Mr. Redrow: And supposing that those same dues which those members paid, as your Honor has set forth, appear to have been paid out by the Supreme Circle a year or so before this assignment was made? 10

The Vice-Chancellor: I do not understand there is any dispute about that. It is not claimed that the money was kept separate by them. All this money, as I understand it—if I am wrong let counsel correct me—that came in under these new by-laws, which were afterwards declared invalid as against the parties filing the bill, was treated as though it belonged to the society, excepting that accounts were kept in such a way that it showed what the excess dues were. 20

Mr. Redrow: Most decidedly I do not think so.

The Vice-Chancellor: Well, go ahead with your proof. It may be that I have misunderstood everything up to this time but I do not think I have. Did not Vice-Chancellor Walker in the first case make an order authorizing them to receive dues under the by-law that was being controverted? 30

Mr. Redrow: He did not.

The Vice-Chancellor: And to go on receiving those dues until the end of the litigation but to keep an account of what was received?

Mr. Redrow: No such order was ever made. That was referred to by the defendants but I did not find it.

The Vice-Chancellor: I thought there was such an order, directing them to keep an account of such
10 moneys as they received.

Mr. Harned: Here is a certified copy of the order of the Court to that effect.

Mr. Horner: There was no order made on it, as I understand, it is merely a memorandum of the Vice-Chancellor.

The Vice-Chancellor: He says here, "The mem-
20 bers may pay the same and such payments will be regarded as made under protest, without formal protest being entered, so that if this suit shall be finally determined in favor of the complainant and the class he represents the whole class will receive the benefit of the payments by having credited the over-plus to future accruing dues. If, however, any member shall refuse to pay the bill for increased dues he shall not be expelled or dropped from the roll, if he pays the amount for which he was hereto-
30 fore obligated. In this event, if the suit shall be finally determined against the class, then the delinquents will be afforded a reasonable opportunity under the protection of the court to pay and satisfy the amounts which shall be ascertained to be in arrears and due from them."

I am reading from the opinion of Vice-Chancellor Walker. Now, if there was no order entered—

Mr. Redrow: Immediately after that opinion this order which I show your Honor was made.

The Vice-Chancellor: Yes. Well, it does not seem to include the latter element.

Mr. Harned: There was no other order made at that time; that was the order of the Court. 10

By Mr. Redrow:

Q. Mr. Callingham, I show you Exhibit C1 and ask you: From your investigation did you find that all of the securities mentioned in that statement were investments of the reserve fund prior to 1909?

A. Yes, sir. 20

No cross-examination.

JOHN G. HORNER, the receiver, being duly sworn according to law, on his oath says:

By Mr. Redrow:

Q. Judge, you are the receiver of the Supreme Circle, Brotherhood of America? 30

A. I am.

Q. And as such you filed your bond and proceeded to act as such?

A. I did.

Q. Will you kindly say how much money you have received as such receiver?

A. I have received——

Mr. Harned: I object. I do not think it is material at all in this case.

The Vice-Chancellor: You have denied so much,
10 Mr. Harned, I am tired of searching for your denials.

A. (Resuming) I have received a total of \$3,320.23, if my addition is correct.

Q. Have claims been presented to you—or what claims have been presented to you?

A. At the time of my appointment as receiver, or shortly thereafter, Mr. Walter, the Supreme Scroll Keeper, which is the corresponding officer to secretary, of the Supreme Circle, Brotherhood of
20 America, turned over to me a number of claims; I do not recall just now as to the aggregate amount of those claims. Since that time there has been filed with me other claims. The total amount of claims which I have wherein the amount is stated, and so on, amounts to \$11,500. In addition to this there are two claims which I have received where there is no specific amount claimed, although I assume that the claimants feel that they are entitled
30 to \$500, and I have also received a number of letters, what might be informal claims, from beneficiaries, or from officers of Circles wherein there was deceased members, writing me with respect to the claims, which I have included in this list.

By the Vice-Chancellor:

Q. These several claims you are now referring to are for death benefits?

A. Yes, sir.

Q. \$500 each?

A. Yes, sir.

Q. Beneficiaries of people who have died and who would have been entitled to receive \$500 if the society had been solvent?

A. Yes, sir.

10

Mr. Harner: That might depend on circumstances.

A. (Continuing) Providing, of course, that they were in good standing and had complied with their part of the laws, I assume they would be entitled, yes, sir.

Q. Of course, I assumed that.

20

Cross-examination.

By Mr. Harned:

Q. And these deaths all occurred after the dissolution of the organization?

A. Was that by way of cross-examination, Mr. Harned?

Q. Yes, sir.

A. I don't know when the thing dissolved authentically. Some of these deaths occurred before my appointment as receiver, according to the proofs as presented to me.

30

Q. What is the earliest death which you have?

A. Apparently in November, 1914. In just hur-

riedly running through these claims the earliest which I find is November 12th, 1914. I think that is right, Mr. Harned. November 12th, 1914.

Q. Did any of these members pay dues to you or tender you any money?

A. I wouldn't like to say definitely. I have had—well, almost thousands of letters, hundreds, certainly, with propriety, I should say, from members of the organization throughout the country, and I have had all sorts of propositions put to me,
10 for my advice as to whether they should continue to pay their dues, and some asked me whether I would receive the dues. I don't think there have been actually any legal tender of dues made to me but I have been interrogated by members, some called at the office; I have had widows and beneficiaries and also members come to me, and I think some of them asked me whether I would receive it, but I don't think anybody has actually made a tender, I can't recall it.

20

Mr. Redrow: If your Honor please, we have here a man from the Secretary of State's office concerning some papers on file there in different cases. It may be a matter of rebuttal. I would like to ask permission to have him testify as to what papers are filed there so he can return to Trenton.

Mr. Horner: Maybe he will admit the facts.

30 Mr. Harned: What are the facts?

The Vice-Chancellor: Are these certificates of incorporation denied also?

Mr. Harned: No.

Mr. Redrow: The certificate of dissolution is not denied. This matter perhaps will come up on rebuttal. I would like to ask permission to introduce in evidence the petition of appeal in the Poole case.

Mr. Harned: It is already in evidence.

Mr. Redrow: I offer in evidence petition of appeal of the Supreme Circle in the case of Poole vs. Supreme Circle, Brotherhood of America, filed in the Secretary of State's office on January 25th, 1912, signed by John F. Harned, solicitor of appellant and of counsel with appellant, also the petition of appeal as filed in the Secretary of State's office or clerk of the New Jersey Court of Errors and Appeals, signed by John F. Harned, solicitor and counsel with appellant, in the matter of Daniel H. Park, respondent, vs. Supreme Circle, Brotherhood of America, appellant, filed May 20th, 1914, David S. Crater, clerk, and order dismissing appeal.

(Said papers marked Exhibits C2 and C3, respectively.)

Mr. Redrow: Also the certificate of dissolution of the Supreme Circle, Brotherhood of America, filed and recorded September 29th, 1914, David S. Crater, Secretary of State.

(Said paper marked Exhibit C4.)

Mr. Redrow: We rest.

HENRY B. WALTER, a witness produced in behalf of the defendants, being duly sworn according to law, on his oath says:

By Mr. Harned:

Q. You were the Scroll Keeper or secretary of
10 the Supreme Circle?

A. Yes, sir.

Q. Brotherhood of America?

A. Yes, sir.

Q. How long have you held that position?

A. Since October, 1895.

Q. What kind of an organization is it?

A. It is a fraternal and patriotic organization, has a ritualistic form of admission, pays a weekly dues, sick benefits, and also in 1890 organized a
20 Death Benefit Fund by the payment of a certain amount of money by each member and the beneficiary to receive \$500 upon death.

Q. Is it a representative body?

A. Yes, sir.

Q. How is it supported?

A. The subordinate body is composed of members and they in turn elect a representative to the State body and the State body elects representatives to the Supreme body.

30 Q. These local organizations are numerous?

A. Yes, sir.

Q. In what States are they operating?

A. Pennsylvania, New Jersey, New York, Connecticut, Delaware, Maryland and District of Columbia.

Q. Do you remember the change of dues from the flat rate to the graded rate?

A. Yes, sir.

Q. Before that went into effect were you served with any papers?

A. Before?

Q. Or at the time?

A. At the time.

Q. Yes.

A. Not before.

Q. What were you served with?

10

A. Served with a notice that a bill in equity had been filed by one Hamlet Poole, to restrain the Supreme Circle from increasing his dues from 50 cents to 90.

Q. Was that subsequently modified?

Mr. Redrow: If your Honor please, I think the record will speak for itself.

Q. Was there a further modification of it?

20

The Vice-Chancellor: He said he was served with a notice that the bill had been filed, he didn't speak of any injunction.

A. I don't quite understand the question.

Q. After the hearing of the rule to show cause what happened?

A. The first hearing was a rule to show cause why the injunction should not be issued, then at a subsequent hearing Vice-Chancellor Walker—

30

Mr. Redrow: If your Honor please, I think we ought to object to this.

Q. He gave an opinion?

A. Sir?

Q. He filed an opinion?

A. Yes, sir.

Q. And you had a copy of that served on you?

A. I had a copy, yes, sir.

The Vice-Chancellor: It will be found among the files, I suppose?

Mr. Harned: Yes.

10

Q. Now, did the Supreme Circle and you as Scroll Keeper act upon that opinion?

A. Yes, sir.

Q. What did you do?

A. We continued to receive the excess dues from those who were willing to pay it, and those who were not retained as members, and, complying with the decision of the Vice-Chancellor, we did not expel anybody at all.

20 Q. Did you notify the members?

A. Yes, sir.

Q. In what way did you notify them?

A. By an official communication from the office under the seal of the Supreme Circle.

Q. I show you a circular signed William J. Schafer, Supreme Washington, and H. B. Walter, Supreme Scroll Keeper, and ask you, is that a copy of the paper that you sent out?

A. Yes, sir.

30

Mr. Harned: I offer this.

By the Vice-Chancellor:

Q. Sent out, I understand you, to all the members?

A. No, sir; all the locals.

Q. To whom?

A. All the locals, the Circles and Homes only, not to all the members; our communications are always with the local body.

Q. To the individual lodges or bodies, whatever they are?

A. Yes, sir; and then they communicate with their members.

Q. Are these moneys paid to you or to your treasurer direct by the members or by the local bodies? 10

A. By the local bodies.

Mr. Redrow: If your Honor please, we object to this offer; it does not appear to us that they can make any self-serving form of letter such as this, which is contrary to the restraining order and to the opinion which has already been made.

The Vice-Chancellor: I will overrule the objection. Let it be filed as evidence of what was done. 20

(Said paper marked Exhibit D1.)

By Mr. Harned:

Q. To whom did you send copies of that circular?

A. To every Circle and Home in the jurisdiction of the Supreme Circle.

Q. In the collection of your death benefit dues what was your system? 30

A. We had every local organization, every Circle and every Home, their membership of it designated as so many members paying from 16 to 21, 40 cents; from 21 to 26 they paid 45, and from 26 to 31 they paid 50 cents, from 31 to 36 they paid 60 cents, from

36 to 41 they paid 75 cents, and all over 41 paid 90 cents per month. We did not keep any separate account with each member, but we had each member there and knew what he had to pay and then the Circle paid us that in a lump sum.

Q. The Circles also had a list of the members?

A. Yes, sir.

Q. And knew just what to collect?

A. Yes, sir.

10 Q. And this circular was sent out so that the Circles might know how to act in regard to collecting this fund from the members?

A. Yes, sir.

Mr. Redrow: That seems to be a conclusion.

The Vice-Chancellor: Yes, I think the letter will have to speak for itself in reference to that.

20 Q. After this order, did you continue to collect dues?

A. From all those who were willing to pay it.

Q. What became of that excess dues?

A. We placed it in the treasury along with the rest of the money.

Q. And how was it used?

A. Used to pay the ordinary expenses of the organization and to pay claims.

Q. Was the sum of 50 cents on every member sufficient to pay your claims?

30 A. No, sir.

Mr. Redrow: If your Honor please, it seems to me that calls for a conclusion. If they have records here to show that it is not they ought to be submitted.

The Vice-Chancellor: Well, you can cross-examine on that if you want to.

Q. Have you made a tabulation of the losses during the years of 1909 to 1913, respectively?

A. Yes, sir.

Q. Is that your own memorandum?

A. Yes, sir; that is a memorandum that I made up of the number of members, receipts, expenses and losses for each year named therein.

Q. In 1909 your receipts were how much? 10

A. \$123,726.

Q. Now, what was the expenses?

A. \$132,759.15.

Q. And what was the loss that year?

A. \$9033.15.

Q. Basing it upon what?

A. Basing it upon a receipt of 50 cents a month from each of the 20,621 members.

Q. And this tabulation shows the respective losses and receipts of each member for the years 20 1909, 1910, 1911, 1912 and 1913, doesn't it?

A. Yes, sir; it does, on a basis of 50 cents each of the membership.

Mr. Harned: I offer that in evidence.

(Said paper marked Exhibit D2.)

By Mr. Redrow: 30

Q. To further identify Exhibit D2—it is based on the supposition that each member paid 50 cents a month?

A. Yes, sir.

By Mr. Harned:

Q. Now, out of what fund did you pay these losses?

A. Out of the monthly receipts by the Supreme Circle.

Q. Did you use the excess dues in paying them?

A. Yes, sir; we was compelled to do so, didn't have enough without it.

Q. If you hadn't used those dues what fund could
10 you have paid it out of?

A. We would have had to dispose of our mortgages.

Mr. Redrow: If your Honor please, it seems to me that is entirely conclusion.

The Vice-Chancellor: I think it is competent testimony, Mr. Redrow.

20 By the Vice-Chancellor:

Q. By the mortgages you mean mortgages that formed a part of the reserve fund?

A. Yes, sir; yes, sir.

By Mr. Harned:

Q. Was there any advantage in retaining the mortgages?

30 A. Yes, sir; there was an advantage, because had we placed the mortgages in the market we would have been likely to have a loss, we would have lost the interest of it, lost by the sale of the mortgages, and we might have discommoded a good many people by foreclosing on them, caused them loss and

distress, and we used the excess dues to pay our way as we were going along and retained them in our possession.

By the Vice-Chancellor:

Q. Otherwise you would have been compelled to have put aside the excess dues and used the surplus?

A. Used the mortgages; yes, sir, sold those, we would have laid by and would have lost the interest on the investment and we would have made no interest on the surplus that was laid one side; that is the way we looked at it. 10

Q. What about your accounts? What form did you keep them in?

A. Kept them all together, but we kept it such a way that we could tell which was which.

Q. Kept it in such a way that it could be segregated after the result of the litigation?

A. Yes, sir. A Circle that had a hundred members would pay us \$50 on 50 cents a month, and \$25 or \$30, whatever they might be, and we kept it separate so that we would know that was excess dues at the end of the year, but every month we could tell exactly what the excess dues was for that month. 20

By Mr. Harned:

Q. What interest were you collecting on these mortgages? 30

A. About three-fourths of them paid five per cent., the balance paid five and four-tenths.

Q. What interest could you get on the money? What interest do you get on your deposits?

A. On check two per cent., in the saving fund three per cent.

Q. Now, there was a reserve fund connected with this organization?

A. Yes, sir.

Q. And in what way was that reserve fund built up?

A. Five per cent. was taken out or deducted from the monthly receipts, that five per cent. was placed away in the reserve fund monthly.

Q. Was there any other additions to it?

A. The interest on investments.

10 Q. Anything else?

A. No, sir.

Q. What about the early part of the organization?

A. Yes, sir; you are correct. The early part of the organization, when the deaths were not so heavy as they were later, we accumulated in the general working account I think as high as may be \$20,000, ten thousand one time and ten thousand another, and that was placed in the reserve fund for the time being.

20 Q. And that formed part of the reserve fund?

A. That formed part of the reserve fund; yes, sir.

Q. What was the purpose of this reserve fund?

A. To be used in case of an emergency, or when the monthly receipts was not sufficient to pay the claims we could go to the reserve fund.

Q. From 1910 on, after your receipts were less than your expenditures, did you continue to set aside five per cent.?

30 A. Yes, sir; off of the 50 cents per month, but not off of that which was excess dues.

Q. But you spent more than you got in?

A. Yes, sir; spent more than we got in.

Q. Now, after 1910, did you take in some new members?

A. Yes, sir.

Q. And under what by-law did you take them in?

A. Under the new rates.

Q. Where everybody was to pay——

A. Was to pay 50, 60, 75, 90 cents, took them in under that rate.

Q. And was any representation made to them?

A. Yes, sir; it was represented to them——

Mr. Redrow: Just a minute.

The Vice-Chancellor: If it was in writing you had better prove the document, if it was not you had better prove how that representation was made. 10

Q. They were taken in after this circular was sent out, were they not?

A. Yes, sir.

Q. Circular Exhibit D1?

A. Yes, sir.

Q. They were taken in under the representations made in that circular? 20

Mr. Redrow: If your Honor please, unless this man knows he cannot testify, and I do not think he was present when each and every member was taken in.

The Vice-Chancellor: I do not see how this gentleman can know anything about what was done in the subordinate bodies, excepting he can testify to what notice he gave them. 30

Q. Well, now, at that time did you visit the subordinate bodies?

A. I was at a number of them, I continually visited them.

Q. How many did you continually visit?

A. Well, fifteen or twenty.

Q. Did you discuss this matter?

A. I discussed this matter; yes, sir.

Q. With the members present?

A. Yes, and I have said all along that any new members admitted, if the case went against the Supreme Circle, would be entitled to the same consideration as the old members. There was no official notice went out.

10

Mr. Horner: If your Honor please, I think the answer should be expunged from the record, because there is clearly no authority vested in this gentleman to have suspended an existing by-law.

The Vice-Chancellor: I think that is true.

Mr. Harned: There has got to be some proof that he did suspend an existing by-law.

20

Mr. Horner: You are attempting, Mr. Harned, to prove that he did.

The Vice-Chancellor: I have not discovered, and I do not suppose it is the case, that this gentleman in his official capacity had the power to make any representations to subordinate bodies touching their rights.

30

Mr. Harned: No, but he has a capacity to make representations to individuals, and if he does and they act upon it—if he, acting for the Supreme Circle, makes representations and they act upon them then it is binding on them.

The Vice-Chancellor: He may testify to what rep-

representations he made, if that is your view, but he will have to say who he made them to and all about it, and they can stand for what they are worth.

Q. Do you remember any particular Circles that you visited and made these representations in?

A. I can't call to mind now.

The Vice-Chancellor: I do not understand the force of what he says he represented.

By the Vice-Chancellor:

10

Q. What representation did you make? What did you mean by your representation?

A. I meant if the Court decided against the Supreme Circle and we had to return this money to the members that their excess dues would be returned to them.

Q. What bodies did you tell that to?

A. I just can't call to mind now. In my individual Circle I belong to I told members that, I told them that as my personal belief that such would be the fact.

20

Mr. Redrow: I move that that all be stricken out.

The Vice-Chancellor: I think it may stand for what it is worth; it may not be of any force.

By Mr. Harned:

30

Q. Now, after the final decree in the Poole case, did you make a calculation of the amount of excess dues that had been collected?

A. Mr. Ruhl did, and after he made that calculation I approved of it.

Q. Who is Mr. Ruhl?

A. Mr. Ruhl is the clerk of the Supreme Circle.

Q. Is that the calculation that was made up in your office under your supervision (exhibiting paper to witness)?

A. Yes, sir; that is a calculation of money due each local, each Circle and Home.

10 Mr. Harned: I want it to go on record here that I furnished a copy of this calculation to Mr. Redrow and that he had it with him, and his expert, for over a week, or two weeks, I think, for the purpose of examination and criticism if he desired.

Mr. Horner: I would suggest that the one that was furnished Mr. Redrow and Mr. Callingham be produced and that that be the one to go before the Court.

20 Mr. Harned: I do not think that ought to be the one because this witness cannot testify to it, but they both can go in, I am perfectly willing for them both to go in.

The Vice-Chancellor: Let that be marked, and if you want your statement to be made a part of the record, that you furnished anything to Mr. Redrow, let what you furnished him be marked also.

30 Mr. Harned: I offer the original calculation of the amounts of excess dues paid, and also a copy furnished to counsel for complainant.

(Said papers marked Exhibits D3 and D4, respectively.)

The Vice-Chancellor: Furnished when, did you say, Mr. Harned?

Mr. Harned: About ten days ago.

Mr. Redrow: I might say for the benefit of the Court that that was returned to Mr. Harned.

Mr. Harned: Yes; I went after it.

By Mr. Harned:

10

Q. At the time of the decision how much excess dues had been paid in?

A. At the time of the decision, in January, the 22nd, I think it was, 1912, there had been sixty-two thousand, I think, nine hundred and eighty-five dollars and some cents; I ain't right sure, now, of that amount, but sixty-two thousand nine hundred and some dollars, I think.

20

Q. Now, what had become of that \$62,000?

A. Had been placed in the hands of the treasurer, same as the other money, same as the 50 cents per month.

Q. And how was it paid out?

A. Paid out as claims accrued.

Q. For what?

A. Paid out for claims.

Q. For losses?

A. Losses, death losses, salaries, office expenses, such things as that, incidental expenses attached to it.

Q. Now, when did you finally assign these mortgages?

A. In April, 1914.

Q. After the decision of the Court of Chancery, was the case appealed to the Court of Errors?

A. How is that?

Q. Was the decision of the Chancellor appealed to the Court of Errors?

Mr. Horner: What case do you refer to, Mr. Harned?

Mr. Harned: The Poole case.

10

A. The final decision of the Court of Chancery was in June, 1913, I think, wasn't it?

Q. I am asking you whether it was appealed to the Court of Errors?

A. Did we appeal?

Q. Yes.

A. Oh, yes, we appealed.

Q. Now, pending that appeal, did you continue to collect these excess dues?

20

A. Yes, sir.

Q. And up to what time?

A. Up until the final decision.

Q. Well, now, can you give us some date?

A. We continued to collect them up until the first of July, 1913, off of some members, and continued to collect them off of others up until the date of dissolution.

30 Q. Did you make a further calculation of the excess dues that were paid in from 1912 up to the time that you assigned the mortgages?

A. Yes, sir.

Q. Well, now, how much did you collect between those periods?

A. Up until the 31st of—

Q. Is that your handwriting (exhibiting paper to witness)?

A. No, that is not my handwriting.

Q. Well, do you know how much it was?

A. Up until the 31st of December, 1912, the collections were, I think, sixty-two thousand nine hundred and, I think, eighty-five dollars and some cents.

Q. Now, during these periods of time, did you also collect some money from members who demanded their money back?

A. How is that, sir?

Q. Did you collect some excess dues from members who demanded it back in cash?

10

A. Not after the final decision of the Court in June, 1913.

By the Vice-Chancellor:

Q. That was the Poole case?

A. Yes, sir.

By Mr. Harned:

Q. But this statement, D3, shows the amount that you collected from each member of excess and whether it was returned, and, if so, to whom?

20

A. Yes, sir; this shows that.

By the Vice-Chancellor:

Q. Well, was some of it returned to individual members?

A. No, sir; not to individual members, it was returned to the local; where we found that a local had paid for their members a thousand dollars and that Circle desired to—their members refused to pay more than the 50 cents we returned them the thousand dollars.

30

Q. Well, returned it to the local Circle for the members?

A. For the members; yes, sir.

By Mr. Harned:

Q. Now, the amounts that were received from the other members—was it sent to the Circle, the money that was returned in cash?

A. The money that was returned in cash was re-
10 turned to the Circle and Home.

Q. The Circles that you received it from?

A. The Circles that we received it from.

Q. And how much was that?

A. It amounted to twenty-four thousand six hundred—six hundred and ninety-five dollars and eighty-two cents.

By the Vice-Chancellor:

20 Q. That was after the decision in the first case?

A. Yes, sir; after the final decision.

Q. The Poole case?

A. Yes, sir; members demanded their money back, their excess dues, and we returned it to them in cash.

By Mr. Harned:

30 Q. Now, these members who did not ask it back in cash—what became of that?

A. Their money was left remaining in the hands of the Supreme Circle.

Q. And what did the Supreme Circle do with it?

A. In March, the 25th, 1914, a number of the members—

By Mr. Redrow:

Q. How many?

A. Oh, about—maybe twenty.

By Mr. Harned:

Q. You were going to explain.

A. You asked me what became of the money?

Q. I don't want to know anything about the death benefits; what did the Supreme Circle do with the money? Whom did they turn it over to? 10

A. Turned it over to the trustees of the Death Benefit Association.

Q. Who were they?

A. George W. Heinecke, Albert L. Welsh, John R. Wills.

Q. When you turned that over, did you take a receipt for it?

A. Yes, sir.

Q. Is that your receipt (handing paper to witness)? 20

A. Yes, sir.

Q. Who is that signed by?

A. Signed by some thousands of members authorizing—

By the Vice-Chancellor:

Q. Signed by the trustees, I apprehend?

A. Signed by the trustees; yes, sir, signed by the trustees, the receipt is by the three trustees. 30

Q. This was after the decision of the Court of Errors in the first Poole case?

A. Oh, yes, sir; yes, sir.

Q. Well, immediately after?

A. Oh, no; this was only last April, April, 1914.

Q. Then there intervened between the decision of the Poole case and this transaction further attempts on the part of the society to modify its by-laws?

A. Yes, sir; there was.

Q. It was litigated also?

A. It was litigated also.

Q. And decided against the society?

A. Yes, sir.

Q. And pending these other modifications of the
10 by-laws, which were decided in court adversely to the society, dues were still paid—excess dues were still being paid, were they not?

A. Yes, sir; being paid by a portion of the members.

Q. Well, now, the time that you are referring to, in this receipt which you produce, was after the last litigation before this Court or before?

A. After the last litigation of all.

Q. That is what I want to get straight.

20 A. Yes.

By Mr. Harned:

Q. Now, in what way did you pay the trustees of the association this money?

A. Paid that in mortgages that we had on hand.

Q. Had you anything else to pay that with?

A. Nothing at all, we had exhausted our resources.

Q. Was there a meeting held of the trustees and
30 the officers of the Supreme Circle for the purpose of discussing this matter?

A. Yes, sir.

Q. When was that meeting?

A. The first week in April, 1914; I ain't right sure of the date.

The Vice-Chancellor: You had better have this receipt marked so it can be identified.

A. (Continuing) It was the first week in April when the trustees of the Death Benefit Fund Association and the trustees of the Supreme Circle held a meeting for the purpose of discussing this transaction.

Mr. Redrow: If it is the intention to offer this receipt in evidence——

10

The Vice-Chancellor: Let it be marked for identification and if it is introduced later I will hear your objection when it is offered.

(Said paper marked Exhibit D5 for identification.)

Q. Who was the Death Benefit Association?

A. Who was it?

Q. Who was it?

A. It was composed of the Circles and Homes of the Brotherhood.

Q. Now, what did the members do who had not received their money back?

A. They authorized——

Q. Now, did they have a meeting?

A. Yes, sir.

Q. And where was that meeting held—the first one?

A. Grand Army Hall, Parkway Building, Broad and Cherry.

20

30

By the Vice-Chancellor:

Q. Philadelphia?

A. Philadelphia; yes, sir.

By Mr. Harned:

Q. And did they elect trustees to receive the money?

Mr. Horner: If your Honor please, I think we would like to have something supplied in place of the word "they." This is a matter that involves apparently something like sixteen or eighteen thousand people. Now, I think we would like to show
10 who were the "they" who had this meeting, whether it was the sixteen or eighteen thousand people or whether it was the "Three Tailors of Tooley Street."

The Vice-Chancellor: I think you are entitled to more definite information. It is obvious all the members would not be present at a meeting of that kind.

Q. Well, was a meeting of some of the parties who were interested in this fund held in Philadelphia?

20 A. Yes, sir.

Q. And did those members elect trustees?

A. Yes, sir.

Q. What did they form?

By the Vice-Chancellor:

Q. Do you know how many members to whom excess dues were payable were present at that meeting?

30 A. At the first preliminary meeting there wasn't over twenty-five there, it was only a preliminary meeting.

By Mr. Harned:

Q. And what did they do?

- A. They elected a president.
- Q. Did they form an association?
- A. They formed an association.
- Q. Did they elect officers?
- A. Yes, sir.
- Q. Whom did they elect trustees?
- A. Why, they elected George W. Heinecke, Albert L. Welsh and John R. Wills as trustees.
- Q. What did they call it? What name did they give it?
- A. Death Benefit Fund Association. 10
- Q. Now, how was it made up?
- A. Made up of representatives from the various Circles and Homes.
- Q. Were there other meetings held?
- A. Yes, sir.
- Q. Now, did the members who were entitled to this fund sign any papers—authorizations?
- A. Yes, sir.
- Q. In some instances when you received this money you received it from Circles? 20
- A. Received it from Circles and Homes.
- Q. And when you paid it back you paid it back to Circles?
- A. Yes, sir.
- Q. And did some of the Circles certify to you to whom to pay the money?
- A. Yes, sir.
- Q. And did some of the members specially request the payment?
- A. Yes, sir. 30
- Q. Now, I show you a bundle of—

The Vice-Chancellor: Can't he state, Mr. Harned, generally and a little more clearly the plan that was adopted for returning this money? It ought to be

a very simple statement, it seems to me, and I think it would simplify the record if it was made in that way, and then you can introduce your proofs to substantiate his statement, if you have written authorizations.

Mr. Harned: I have asked him to state it and I thought he had.

The Witness: Well, I answered your question.

10

By the Vice-Chancellor:

Q. Well, now, I understand you to say that a certain amount of these dues, twenty-three thousand, or such an amount, was returned in cash?

A. Twenty-four thousand some six hundred dollars was returned in cash.

Q. And the balance was returned in some other way. Now, state how that was returned. That is, it was returned in some way other than by the payment of cash for distribution to members. State how that was.

20

A. At the time when these members made a demand for their money the Supreme Circle did not have the ready cash for the members who paid the excess dues and to satisfy them the mortgages was turned over to them, to these three trustees, for the benefit of these members.

Q. Now, can you state how the money reached them eventually, or how they got the benefit of it, if they did. What plan was adopted?

30

A. It was first discovered what money these members were entitled to who with us were known as Division 1, or who were willing to pay the excess dues. Now, when we was ready to settle with them

and pay over to these trustees we didn't have the money to do it and we gave them the bonds and the mortgages.

By Mr. Harned:

Q. Does this bundle represent the authority from the various members and Homes to pay this money to those three trustees?

A. Yes, sir.

Q. You have been through this, haven't you? 10

A. Yes, sir; I have been all through that, I have seen it all.

By the Vice-Chancellor:

Q. That is, the authority is contained in that envelope of papers, did I understand by your statement?

Mr. Harned: Yes. 20

Q. Is that true?

A. Members—I as one, have signed a power of attorney authorizing the Supreme Circle Trustees to pay over to the trustees of this Death Benefit Fund my proportion of the excess dues.

By Mr. Harned:

Q. And these in this envelope are the powers of attorney? 30

A. Yes, sir; they are the power of attorneys.

By the Vice-Chancellor:

Q. Then that envelope that you have here contains

powers of attorney from all of these various members?

A. Yes, sir.

Q. Outside of the \$24,000—

A. Yes, sir.

Q.—which was paid in cash?

A. Yes, sir.

Q. Giving you authorization to do with this money in their behalf what you did do with it?

A. Yes, sir.

10 Q. And that authority from these members is in this big envelope which is now produced?

A. Yes, sir.

The Vice-Chancellor: Hadn't you better mark the envelope, Mr. Harned?

Mr. Harned: I think so; yes, sir.

20 Q. Well, then, the general plan, as I understand it, was this: Instead of paying back to these members individually, or to the societies to which they belonged for them, the cash you paid to certain trustees for their use or assigned to certain trustees for their use mortgages aggregating the aggregate amount?

A. Yes, sir.

30 Q. And then these various members—correct me, now, if I am wrong, for I am not clear about it, the proofs came in such a way that I didn't grasp it—these various members instead of claiming the money formed or joined a new society, a new corporation?

A. Yes, sir.

Mr. Harned: Not a corporation, but a society.

The Witness: Unincorporated.

Q. And signed written authorizations for these trustees to pay the money that was coming to them for their benefit to this new society as dues in the new society?

A. Yes, sir.

Q. Was that the plan?

A. That is the plan.

Q. And these papers in this big envelope contain these individual powers of attorney for these trustees to make that use of the money for their benefit—is that right?

10

A. Yes, sir. Now, for instance, your Honor, I was a 90 cent member; I had 40 cents excess every month for four years. Now, my signature is in that bag authorizing the trustees of the Supreme Circle to pay my interest in those excess dues over to these three trustees of the other organization, and then we who have done that—we are still members of that organization and we continue right on.

Q. In the new organization?

A. In the new organization, and the Supreme Circle had spent my excess dues in the usual course of business and—

Q. I understand that.

Mr. Harned: Now, I offer the envelope.

(Said envelope marked Exhibit D6.)

Q. And I understand in that envelope there are powers of attorney or authorizations for the payment of the money by each member individually?

A. Yes, sir.

Q. Not by their society?

A. Not by their society.

30

By Mr. Harned:

Q. Some of them by the societies?

A. Well, yes, sir; there are some few, some few locals that have signed a communication in there speaking for the whole of the members, but I presume—

By the Vice-Chancellor:

10 Q. But in the main they are from the individual members?

A. Sir?

(Question repeated.)

A. Yes, sir; in the main. I would say—there is 9,500 members in this association, I would say there is 8,000 names there.

Q. 8,000 individual powers of attorney?

20 A. Yes, sir; I would say there is 8,000 individual names.

Q. Individual signatures?

A. Signatures.

Mr. Harned: Now, in this connection I want to say on the record that on the 9th day of August I served upon Mr. Redrow a paper concerning these powers of attorney. In reply to that the expert who was on the witness stand this morning came to the office and
30 examined them and stated to me that he was through with them.

Mr. Redrow: That doesn't interfere with our testing the accuracy of these today.

Mr. Horner: And we have noticed counsel for de-

fendants to produce them here in court this morning, subject, of course, to use on cross-examination.

By Mr. Harned:

Q. You are the secretary of the Death Benefit Fund Association?

A. Yes, sir.

Q. Are they still in business?

A. Yes, sir.

Q. Did each of the persons whose names is listed in this package and on the receipts for excess dues continue to pay their dues to the new organization?

A. Yes, sir.

Q. Death Benefit Association?

A. Yes, sir.

Q. Are they still doing it?

A. Yes, sir.

Q. Was there subsequently a few who expressed the desire to withdraw?

A. There was.

20

Q. And did the Death Benefit Fund Association return to them the amounts that they had paid?

A. Up until November 25th, 1914, the Death Benefit Fund Association paid out to dissatisfied members \$2,249.60.

Q. And out of what fund did they pay that?

A. Out of this fund that they got from the Supreme Circle.

Q. Returned that to various members?

A. Returned that to various members.

30

Q. Who were dissatisfied?

A. Yes, sir.

Q. And all the others continued with the association?

A. Yes, sir.

Q. And are still members of it?

A. Are still members of it.

Q. Was there held a meeting of the trustees of the Benefit Association and the trustees of the Supreme Circle at your office?

A. Yes, sir.

Q. When was that held?

A. The first week in April.

Q. And what was the purpose of that meeting?

A. The purpose of that meeting was to adjust all
10 the differences between the two associations.

Q. And turn over the mortgages?

A. Turn over the mortgages, and there was a balance due the Supreme Circle, because the mortgages amounted to nine hundred and——

Q. Never mind. Now, what was discussed at that meeting?

A. The question of interest.

Q. Anything else discussed—the amount to be repaid?

A. The amount to be repaid.
20

Q. This memorandum, marked Exhibit D3, was there produced?

A. Was there produced, yes, sir.

Q. And that was agreed upon as being the amount——

A. Yes, sir.

Q. ——that was due?

A. That was due.

Q. Now, did anybody make any claim for interest?

A. Yes, sir.
30

Q. And what was said about it?

A. Well, it was discussed pro and con about the interest and all the trustees of the Death Benefit Fund Association thought that they ought to have interest on these mortgages all the time they laid in

the hands of the Supreme Circle, as the Supreme Circle was drawing interest on them.

Q. Well, was that allowed?

A. It was.

Q. Entire?

A. Not quite entire, no.

Q. Now, what was allowed? Is this your memorandum (handing paper to witness)?

A. The amount claimed was \$7,735.45, the amount allowed was \$7,670.33.

Q. Now, isn't that just the reverse? Read the pa- 10
per and see.

A. The amount claimed——

Q. No, that is right. Now, how was that interest made up?

A. Made up from the final—from the decision of the Court on January 22nd, 1912, the interest was computed on that and from——

Q. You commenced to compute interest from the final decision of this Court?

A. Yes, sir; in January, 1912.

20

Q. And was interest allowed on the fund paid in previous to that time?

A. No, sir.

Q. How much was the fund then in hand—at that time?

A. There was on hand at that time \$62,982.90.

Q. That was in December, 1912?

A. Yes, sir. Now, the trustees claimed interest from February 1st, 1912, to December 31st, 1912, eleven months, on that amount.

30

Q. And that was allowed, was it?

A. Not all of it. Then, from January 1st to June 31st there was collected some \$9,123.05, and adding that there to the other made \$72,105.95, and the interest was claimed, \$1,802.64.

Q. From January 1st, 1913, to June 30th, 1913?

A. There was the sum collected, \$9,123.05.

Q. Making the total sum in hand—

A. At that time seventy-two thousand.

Q. And there was allowed on that interest at what rate?

A. At five per cent., \$1,802.64.

Q. Now, from July 1st, 1913, to December 31st, 1913?

A. There was \$9,123.05 again collected, making
10 \$81,229.

Q. What interest was allowed on that?

A. \$2,030.72.

Q. And January 1st, 1914, to March 31st, 1914?

A. On \$81,222, amount of interest \$1,015.36, making a total of \$7,735.45 and—that is, the trustees of the Death Benefit Fund Association claimed that but they were only allowed \$7,670.33.

Q. Was it agreed there that the mortgages should be assigned for this money?

20 A. In April, 1914, yes, sir.

Q. And how much was the total amount? It was made up, now, as I understand it, of the receipts of excess dues of members for which it was being assigned from the time when the attempt was made to change the dues up to the time it stopped, including interest, from the time that the Court decided that they had no right to collect it, down to the time it was paid over—is that correct?

A. The members began paying dues the first of
30 March, 1910, excess dues, continued paying that, yes, until January 31st, 1912, that is correct, but there was no interest charged for that money.

Q. And what was the total amount due?

A. On January 31st, 1912?

Q. No, the whole thing, when the assignment was made.

A. What was the total amount due when the assignment was made?

Q. Yes.

A. Why, \$88,889.33.

Q. And what was the face value of the mortgages?

A. \$89,800.

Q. What was the difference between them?

A. \$900.67.

Q. And what happened to that?

A. That was paid over by the trustees of the Death Benefit Fund Association to the Supreme Circle. 10

Q. Paid in cash?

A. Paid in cash.

Q. And that total was the face value of the mortgages at the time?

A. \$89,800?

Q. Yes.

A. Yes, sir.

Q. Now, after this settlement what happened to the mortgages? 20

A. The trustees of the Death Benefit Fund Association took possession of them.

Q. They were turned over to them?

A. They were turned over to them, yes, sir.

Q. And who was the presiding officer of the Supreme Circle at the time of this settlement?

A. Samuel Harris.

Q. And who was the scroll keeper or secretary?

A. H. B. Walter.

Q. Who did you say was Supreme Washington? 30

A. Now, I will have to see. (Referring to book) William M. Hearn, of Laurel, Delaware.

Q. Are they the assignments that were delivered (exhibiting papers to witness)?

A. Yes, sir; yes, sir, they are the assignments, and

that (indicating) I know to be the signature of Hearn, that (indicating) is mine.

Mr. Harned: These assignments are offered in evidence.

(Said paper marked Exhibit D7—see Bill page 26.)

10 Q. When was the next meeting of the Supreme Circle held after the assignment of the mortgages?

A. May, 1915.

Q. Where was that held?

A. New Haven, Connecticut.

Q. 1914 or 1915?

A. Sir?

Q. What year?

A. '15, 1915.

Q. New Haven, Connecticut?

20 A. Oh, now, hold on. The next meeting afterwards was held in Atlantic City, N. J.

Q. I didn't ask you about that.

A. The next meeting?

Q. Yes, after the assignment—where was it held?

A. Why, in Atlantic City.

Q. No.

Mr. Horner: You had better testify, Mr. Harned.

Mr. Harned: No; the witness is confused.

30 Q. Now, when was the assignment made?

A. Hold on; for a moment I had April come behind May in my mind. Why, it was held in New Haven, Connecticut, in the month of May, 1914.

Q. And were you there?

A. Yes, sir.

Q. Were you secretary of the meeting?

A. Yes, sir.

Q. Did the trustees report what they had done?

A. They did, they reported to the Supreme Circle their action.

Q. Have you got their report?

A. You have got a 1914 journal there.

Q. Is that their report found on pages 32 and 33 of the journal of the Supreme Circle for the year 1914?

A. Yes, sir; that is the report of the trustees. 10

Mr. Harned: It is already in evidence.

Q. Was that report discussed?

A. Yes, sir; it was.

Q. Was there any objection made at the Supreme Circle to it?

A. None at all.

Q. How many discussed it? 20

A. Why, I suppose as many as 12—14, took part in the debate, expressed their opinion one way or the other.

Q. Do you remember Mr. Yohn explaining it?

A. Yes, sir; Mr. Yohn thoroughly explained it.

Q. What action did the Supreme Circle take?

A. The action of the trustees were approved by a unanimous vote of some—I would say 70 members, might have been more or less there, a few, at the time. The motion was that the report be received 30 and approved.

Cross-examination.

By Mr. Redrow:

Q. Mr. Walter, what was the total amount of excess dues claimed by you paid or due to all these members for all time?

A. The dues paid in was \$81,229, paid in by these members who today form the Death Benefit Association.

10 Q. From the Supreme Circle, all sources, how much money was refundable, according to your claim, for excess dues for all time?

A. Well, what we claim refundable—is that the way you put it?

Q. Anybody who was entitled to any excess dues from the beginning, March 1st, 1910, how much money was due and payable to them for excess dues?

A. Well, I say \$113,595.15.

Q. \$113,595.15?

20 A. Yes.

Q. As of what date is that?

A. April 1st, 1914.

Q. April 1st, 1914?

A. Yes, sir.

Q. How much of that has actually been paid out—paid back to the members in cash?

A. In cash \$24,695.82.

Q. How much remains unpaid and due to these members?

30 A. \$88,899.33.

Q. To how many members was that sum of excess dues payable?

A. About 9,750, 9,800, I couldn't tell you exactly, the receiver has got all our books.

Q. Did all these members go into the Funeral Death Benefit Fund Association?

A. Yes, sir, but some with—

Q. What was the answer?

A. I thought maybe I might be a little too previous, I had better shut my mouth.

By the Vice-Chancellor:

Q. Of that \$113,000 how much was interest?

A. \$7,670.33.

By Mr. Redrow:

10

Q. The members to whom this \$88,899.33 was returnable—were they members of any certain division?

A. They were all members of what was known as Division No. 1.

Q. That is, the nine thousand seven hundred and fifty odd members to whom this eighty-eight thousand odd dollars were entitled were members of what was known as Division No. 1?

20

A. Yes, sir.

Q. When was the Funeral Benefit Association first contemplated?

A. March, 1912.

Q. Nineteen hundred and what?

A. March, 1912—March, 1914.

Q. March, 1914?

A. March, 1914.

Q. Now, prior to that time had there been any thought of excess dues being returnable to members of Division No. 1?

A. There hadn't been anybody ask for it.

Q. Well, was there any thought, as far as the Supreme Circle was concerned, that there would be excess dues returnable to them?

A. Well, I never heard anybody say anything about it particularly, I never gave it a thought myself—much.

By the Vice-Chancellor:

Q. Well, why were you keeping accurate account of the excess dues during all that period?

A. As a matter of business, not knowing what might become of it; of course, they might have to
10 go back.

By Mr. Redrow:

Q. Hadn't all these members agreed that this money should be placed in the reserve fund—any equities that they might be entitled to?

A. No, sir; we placed it there arbitrarily.

Q. I show you what appears to be slips signed by each individual member. What does that slip say?

20 A. "I hereby authorize and direct the Supreme Trustee to pay my equity in the Death Benefit Reserve Fund, Brotherhood of America, into the Reserve Fund of Division No. 1, of which it is my desire to be a member, and do hereby agree to abide by all laws governing the same now in force or that may hereafter be enacted."

Q. And didn't you as Scroll Keeper receive several thousand of these?

A. Yes, sir.

30

The Vice-Chancellor: Just a moment; I haven't grasped that yet. Read that again, will you, Mr. Redrow?

Mr. Horner: Let the Vice-Chancellor see one of them.

(Paper handed to Vice-Chancellor.)

By the Vice-Chancellor:

Q. This is the option which you authorized the older members to exercise?

A. Yes, sir; that was.

Mr. Harned: That was previous to the Park case.

The Vice-Chancellor: I see what it is now.

10

Mr. Harned: The Park case set that aside.

A. (Continuing) We divided the membership according to the expectation of life.

Q. I thought at first that equity had reference to excess dues. It has no reference to excess dues at all?

A. No, sir.

20

Mr. Horner: Is that the ruling of the Court? We won't press it if it is.

The Vice-Chancellor: Well, that is my understanding of it at this time, that this was an exercise by the old flat rate members of the option which was given to them to come into the new division, to the division of graduated members, that is my understanding of it.

30

The Witness: Yes, sir.

Q. If I am wrong correct me.

A. That is correct.

By Mr. Redrow:

Q. And were all these signed after the decision in the Poole case, or after July, 1912?

A. To the best of my knowledge they were. Their dates are on here. I didn't put the dates on. They are all on here.

Q. But they were all received by you?

A. All received by me.

10 Q. Now, didn't practically every member of the Brotherhood of America sign either a slip for Division No. 1 or Division No. 2?

A. Well, there was some didn't sign anything.

Q. I see, and are these slips, Division No. 2, signifying their transfer over to——

A. No; these are slips signifying that they refused to pay more than 50 cents.

20 Q. These slips reading "I hereby authorize and direct the Supreme Trustees to pay my equity in the Death Benefit Reserve Fund existing prior to August 1, 1912, into the Reserve Fund of Division No. 2, of which it is my desire to be a member in accordance with Section 14, Article XVI, laws of the Supreme Circle, adopted July 31, 1912," were signed by members who paid 50 cents?

A. I presume so, yes; I wasn't there when they signed.

Q. And these were received by you?

A. By me; yes, sir.

30 Q. Now, Mr. Walter, so we might have this clear to the Court as well as ourselves, did all the members of Division No. 1 sign these slips called Division No. 1 slips here?

A. Did all members sign them?

Q. Yes.

A. No, sir; all the members didn't, because those who signed No. 2 didn't sign No. 1.

Q. I asked you if all members of Division No. 1 signed these slips?

A. To the best of my knowledge, I wasn't present when they signed it.

Q. Well, you received them, didn't you?

A. I received them; I couldn't swear who signed them or anything about it.

By the Vice-Chancellor:

Q. Well, Division No. 1 was the graduated scale 10 division, wasn't it?

A. Those who agreed to pay the increased rate of dues; yes, sir.

Q. What about new members—did they sign anything?

A. They wouldn't sign anything; no, sir.

By Mr. Redrow:

Q. What did you do with these slips after the receiver was appointed? Did you turn them over to Mr. Harned? Are these boxes here containing these slips the ones you sent to him? 20

A. You mean turned them over to the receiver?

Q. Did you turn them over to the receiver?

A. I presume so, through our attorney, of course.

Q. And these are the boxes, marked on the outside what they are and from what Circles they are?

A. I guess so.

Mr. Redrow: If your Honor please, I would like to offer to be marked for identification some 12,000 slips Division No. 1 and Division No. 2 about 3000. 30

The Vice-Chancellor: Very well.

Q. Mr. Walter, you testified on direct examination as having made up from time to time a statement showing the amount of excess dues returnable of the amount received. Have you any such statement with you?

A. You have it.

The Vice-Chancellor: Monthly, I think he said each month.

10 Mr. Redrow: Yes.

Q. I show you statement marked Exhibit D3: Does this show the amount returnable each month of excess dues?

A. Yes, sir.

Q. Of each month?

A. It shows the amount due, it wasn't returned, shows the amount that would be due.

Q. At the expiration of each month?

20 A. Yes.

Q. To each individual member?

A. No, sir; to each individual local, to each local, Local 1, 2, 3 and 4.

By the Vice-Chancellor:

Q. What do you mean by individual locals?

A. The Circles.

30 Q. All right. I only wanted it to appear what a local was. Is there any difference between a Circle and a Home or a local?

A. No; the Homes is the lady branch and the Circles is the man branch.

Q. What is a local?

A. Either one of them. You see there is Supreme Circle and local. That is only an expression.

By Mr. Redrow:

Q. Do you say that this shows monthly?

A. To the best of my knowledge it does; yes, sir.

Q. Do you say now it shows monthly?

The Vice-Chancellor: If there is any doubt about it look at it. You know what it shows, Mr. Redrow. Don't let the witness be mistaken.

10

Mr. Redrow: I don't want him to be mistaken, but I want him to say what it shows.

The Vice-Chancellor: If you think it does not tell him so, so he can verify it.

A. As I testified, Mr. Ruhl, the clerk of the Supreme Circle, makes these figures up and I verify them and I believe them to be correct. I can't just exactly say whether they are monthly, daily or yearly. 20

By the Vice-Chancellor:

Q. You said that every month the receipts were classified in such way that the excess dues were shown?

A. Yes, sir.

Q. Now, look at the paper and see whether you were correct in that? 30

A. Yes, sir; the first column is monthly and the second column is for a year, dues of members since March 1st, 1910, excess payment of members admitted prior to March 1st, 1910.

By Mr. Harned:

Q. That is what the paper shows?

A. Yes.

By Mr. Redrow:

Q. So that it doesn't show the monthly account, does it?

A. No, sir; it don't show a monthly account.

10

By the Vice-Chancellor:

Q. Doesn't, you say?

A. No, sir; it does not.

By Mr. Redrow:

Q. Where is the account showing the monthly tabulation?

20

A. Why, I think you have it.

Q. Well, when did you turn that over to the receiver?

A. I don't know. I have given you all I got. I don't know when.

Q. Have you any such account showing the monthly tabulation?

A. Why, certainly, we would have and I think the receiver has got a copy of it or got the journals.

30 Q. What is the total amount of return dues according to that statement, Mr. Walter?

A. The only sum total I see here is \$18,246.10, and that is the receipt excess dues from January 1st, 1913, to December 31st, 1913. I don't quite understand the back of it here.

Q. Mr. Walter, didn't you approve this statement?

A. Yes, but I have lost the run of it.

Q. Do you know what that statement contains?

A. It contains dues of members since March 1st, 1910, in Division 1, excess payments members admitted prior to March, 1910.

Q. Are you just reading now from the heading?

A. From the heading of it.

Q. So that is all you know about it, just what you read on the heading of it—is that true?

A. That is all I can just remember about it now. I would want some time to think about it, I would 10
have to stop and think.

Q. Now, Mr. Walter, you are Scroll Keeper of the Supreme Circle or were?

A. Yes, sir.

Q. And you are still?

A. Yes, sir.

Q. The Supreme Circle is still doing business?

A. Yes, sir.

Q. And you are also secretary of the Funeral Fund Association? 20

A. Yes, sir.

Q. As Scroll Keeper or secretary of the Supreme Circle do you have charge of the paying out of moneys?

A. No, sir; I don't pay anything.

Q. You don't pay anything?

A. No, sir.

Q. Do you receive money?

A. I receive money; yes, sir.

Q. Who do you receive it from? 30

A. From the Circles and Homes.

Q. But you don't pay out any moneys whatever?

A. Don't pay out any money at all.

Q. You sign all vouchers, do you?

A. Yes, sir. I pay out money for postage stamps,

things like that, but pay no bills; it is all done by vouchers.

Q. So that none of these excess dues was paid out through any sanction of yours and you have absolutely nothing to do with it except sign the vouchers?

A. That is all.

Q. You had nothing to do with the payment of the \$24,000 except sign the vouchers?

A. Of course, as one of the officers I signed the vouchers for to pay out the \$24,000, yes.

10 Q. But your official duties as secretary or Scroll Keeper did not involve anything on your part as far as the payment of this money was concerned?

A. Well, I don't know as it did.

Q. Where did you keep your bank account, Mr. Walter?

A. Industrial Trust, Title and Saving Company.

Q. Where are they located?

A. Front street, below Norris, Philadelphia.

Q. Did you have all your accounts with them?

20 A. Yes, sir.

Q. I show you what appears to be reserve fund vouchers from number 1 to 79 and ask you if they are vouchers of the reserve fund?

A. That one is (indicating). I guess they all are.

Q. I asked you if they were vouchers of the reserve fund?

A. Yes; I said yes.

Q. They are all vouchers of the reserve fund?

30 A. I presume they are vouchers, I will have to examine every one before I can swear to it, but I take it for granted they are all vouchers; I have looked at several. To the best of my knowledge and belief I will say they are all vouchers. How will that do?

Q. And you said you kept your bank account at the Industrial Trust Company and this is the pass-

book from the bank, is it (exhibiting book to witness)?

A. That is one of them, yes.

Q. Is this one of them?

A. That was Division No. 1, when we divided the reserve fund.

Q. And this is what (exhibiting book to witness)?

A. That is the reserve fund of Division No. 2, when we divided the reserve fund.

Q. And what is this (exhibiting book to witness)?

A. That is an old book of the Philadelphia Saving 10 Fund.

Q. And what does that book show?

A. That book shows—

Q. Deposits in the reserve fund and expenditures from it, does it?

A. It don't show any expenditures at all, nor it ain't the reserve fund, is it? Yes, I see it marked "Reserve Fund."

By the Vice-Chancellor:

20

Q. What fund do you call it?

A. Philadelphia Saving Fund.

By Mr. Redrow:

Q. Reserve fund, isn't it?

A. That is the Industrial. I thought you said Philadelphia Saving Fund.

Q. That is what you said.

30

A. Well, then I said wrong.

Q. Picking out a particular item, doesn't this show less checks returned per list?

A. Oh, yes, yes; that is the Industrial, they are all Industrial.

Q. And this is the old reserve fund pass-book of the Industrial Trust Company?

A. Yes.

Q. And these are to the best of your knowledge and belief the vouchers of the reserve fund?

A. Yes.

Mr. Redrow: I would like to have these marked for identification.

10 (Said papers marked Exhibit C6 for identification.)

Q. I show you other vouchers—I think we had better have these numbered. Will you kindly say what they are?

A. Well, I couldn't unless I would read them.

Q. What do they appear to be on the back of them?

A. They appear to be Death Benefit Fund, Supreme Circle, Brotherhood of America.

20

By the Vice-Chancellor:

Q. What do you mean—vouchers?

A. Vouchers, yes, sir; vouchers for general business claims, but there ain't no claims here, are there? Yes, I see some. They are vouchers, general business.

By Mr. Redrow:

30

Q. Are they from the reserve fund or from some other fund?

A. Death Benefit Fund.

Q. None of these vouchers are from the reserve fund?

A. They all read Death Benefit Fund; I don't see anything else here but death benefit.

Mr. Redrow: I would like to have those marked for identification.

(Said papers marked Exhibit C7 for identification.)

Q. After the decision in the Poole case, in July, 1912, what was done as far as the excess dues was 10 concerned?

A. Nothing at all at that time.

Q. After the decision of the Court of Errors and Appeals in the Poole case?

A. Yes. Then the members who refused to pay more than 50 cents, and who paid the excess dues and refused now to pay more than 50 cents, their excess dues was paid back to them to the amount of \$24,695, I think it was.

Q. And no other excess dues was refunded—is 20 that true, at that time?

A. That is correct.

Q. Was any other excess dues payable at that time?

A. Well, the members of No. 1 Division would have been entitled to their excess dues if they had claimed it, but they didn't claim it.

Q. They had made these payments voluntarily, had they not, from the time of the Poole case?

A. Sir?

30

Q. They had voluntarily paid the increased dues from the time of the Poole case?

A. Yes, sir.

Q. And they continued this voluntary payment clear on up to April, 1914?

A. Yes, sir.

Q. These members clear on up until after this assignment was made—all the payments Division No. 1 members had made were voluntary as far as they were concerned, is that true?

A. Yes, they were voluntary, of course they were, because they were willing to pay the increased rate of dues.

Q. Now, from 1910 on up to date you continued to make the appropriation of five per cent. from the
10 monthly receipts and paid that over to the reserve fund just the same as you always did do?

A. To date? Oh, no, not to date.

Q. Well, on up until after the assignment of these mortgages?

A. Up until—no, we stopped, that was at the time of the dissolution of the Death Benefit Fund, we surrendered our charter, prior to that we had stopped because we had no money to pay it with.

Q. So that on up until after your annual meeting
20 of May, 1914, you had followed out the practice required by your by-laws of paying five per cent. of the receipts to—

A. No, not up to May, 1914.

Q. Up until what time?

A. That is right, up to May, 1914. The receiver has got the account of that there. He can tell it better than I can myself now.

Q. Can you mention the name of any one single
30 person to whom you made the statement in your official capacity that the new members who joined the order would be treated as the old members were if he came in as a new member?

A. Yes, because it was made to a number who joined the Circle I belong to.

Q. What was his name?

A. There were several of them; I can't just call them by name now.

Q. Did you make that assertion?

A. I made the assertion to them when they joined the Circle that if we had to return this money that they should come in the same as the others.

Q. Did you make that by authority?

A. No, sir; made that on my own accord.

Q. Did you say that in your opinion they would be entitled to it?

A. Yes, sir; I gave that as my opinion, that they 10 were entitled to it.

Q. And this notification you gave to each one of these members, which you say you gave, was just your opinion as to what would be the outcome—is that true?

A. That is my opinion of what would be the outcome, they would get their proportion of the excess dues back.

Q. And there was no authority vested in you from—

20

A. No official authority.

Q. —from the Supreme Washington or any other person, directing you to make any such statement?

A. No, sir; no.

Q. You made a statement in your direct examination that demand had been made for the return of certain excess payments made for dues. Have you any letters or any demands with you at the present time, or can you tell us where we can find them?

A. That was made to the Death Benefit Associa- 30 tion.

Q. Made to the Supreme Circle, Brotherhood of America?

A. For excess dues?

Q. Yes.

A. I haven't them with me; no, sir.

Q. Where can we locate them?

A. Well, I can hardly answer that question. We sent them to the Circle; the Circle requested them.

Q. Which Circle requested them returned?

A. I can't just at this moment tell you whether there was any special Circle, but I know there was a number of them.

Q. Can you name one Circle which requested that the refund dues be paid to them?

10 A. I ain't swearing to any particular Circle at all, now, I know there is lots of them and I can produce proof of it.

Q. All the money that was paid to you, who was that paid to by you? All the money which you received, who did you pay it to?

A. All the money that I received?

Q. Yes.

A. Turned it over to the treasurer.

20 Q. Does that include the five per cent. for the reserve fund?

A. Yes, sir.

Q. As well as other moneys?

A. There ain't no money comes in as reserve fund until the end of the month when it is taken out.

Q. Did you have anything to do with taking out the money for the reserve fund?

30 A. I gave the trustees the amount, I told them how much was received that month and then I deducted the five per cent. for the reserve and gave them the amount and then they ordered me to draw a voucher for that amount.

Q. But the money is always in the hands of the treasurer?

A. The treasurer has got the money, only simply draw a voucher for to pay that over into the reserve fund.

Q. You were present at the meeting claimed to have been held of the Death Benefit Association in Philadelphia?

A. Yes, sir.

Q. How many were present at that meeting?

A. At the first preliminary meeting about twenty-five.

Q. And when was that meeting held?

A. March, 1914.

Q. Was it held on the 25th of March, 1914?

A. I think it was the 25th.

10

Q. Was there anybody at that meeting besides the officers of the Supreme Circle?

A. Oh, yes, there was several besides the officers.

Q. But all the officers of the Supreme Circle were present?

A. All the officers of the Supreme Circle were present.

Q. And there were about twenty-five members present at that time?

A. About twenty-five members present at that time.

Q. Did they adopt by-laws at the meeting in Philadelphia at that time or at subsequent times, regular meetings?

A. They did adopt by-laws, part at that meeting and part at a meeting held later on.

Q. Now, does any of their by-laws have anything to say concerning how this money shall be held by the trustees? Does it prescribe any method as to how they shall hold it and what they shall do with it?

30

A. Wait until I get that straight in my head—how to answer that. They passed a law that when the Supreme Circle ceased paying claims that the laws applicable to the Supreme Circle shall then become applicable to the Death Benefit Fund Association. I think that is about the way it reads.

Q. And that the Death Benefit Fund Association would go on and pay the benefits after the Supreme Circle refused?

A. To their members.

Q. Didn't they also pass a by-law reading as follows: "That the affairs of this Association shall be subject to the supervision of the Trustees of the Supreme Circle, Brotherhood of America, and no investments shall be made or any order drawn upon the fund of the Association without the approval in
10 writing of the Supreme Trustees of the Supreme Circle, and they shall exercise the same control over the affairs of this Association as they exercised over the fund of the Supreme Circle"?

A. No, sir; they never passed a law like that.

Q. You were present at that meeting?

A. I was, and I have got a record of all the laws that have been passed.

Q. Have you the minutes here?

A. No, sir; I haven't.

20 Q. Can you produce them?

A. I can.

Q. When can you produce them?

A. Oh, I don't know. I am going to Reading tomorrow. I can give it to you Friday.

Q. Did Mr. Galpin see you last summer and get a report of this for the State of New Jersey?

A. Yes, sir.

Q. Did you furnish him with a copy?

A. I did, but Mr. Galpin is wrong.

30 Q. Is this the copy?

A. Yes, sir.

(Said paper marked Exhibit C5 for identification.)

Q. Was there a law also passed at that time fix-

ing the rate of dues to be paid to the Death Benefit Association?

A. No, sir.

Q. Never was any rate of dues established?

A. They just accepted the same rate they were paying.

Q. Paying where?

A. Had been paying to the Supreme Circle, they are paying the same rate.

Q. But there was no new law passed establishing any new rate?

10

A. No, sir.

By the Vice-Chancellor:

Q. How did you arrange in placing to the credit of the members of that new society the amount to which they were entitled as excess dues?

A. The members went in as a body, the Circle went in as a body, all the members went in and just kept on paying the same as they had been paying, 20 no change made at all.

Q. So that they got the benefit of whatever was coming to them as money in that treasury?

A. Yes, sir.

By Mr. Redrow:

Q. Did the Circles take any action on the transfer of this money?

A. I guess some did.

30

Q. You guess some did?

A. Yes.

Q. Do you know whether or not they did?

A. Well, on June 27th, 1914——

Q. Is that after the assignment of mortgages was made?

A. No, sir, before; I thought you wanted to know about the Death Benefit Fund Association—there was 105 locals endorsed their action.

Q. On June when?

A. June 27th, 1914.

Q. And June 27th, 1914, was after the assignment of the mortgages was made and recorded, wasn't it?

A. Yes, sir.

Q. So that the transfer had already been made?

A. Yes.

10 Q. To the trustees, Heinecke, Welsh and Wills, before any action was taken?

A. Oh, at that date there was a meeting held in the City of Philadelphia and there was 105 Circles and Homes represented and they endorsed the action of the three trustees, approved of their selection and endorsed their action.

Q. Did the Circles or the individual members take any action or steps towards securing the transfer of the mortgages from the Supreme Circle to this
20 Death Benefit Association?

A. Why, they did so by those powers of attorney which were put in evidence.

Q. There is nothing else that they done except those powers of attorney which have been offered in evidence, is that right?

A. That is correct.

Q. Were those powers of attorney all received by you before the assignment of mortgage was made?

A. I don't remember whether they were or not.
30 Some of them might have been delayed and come afterwards.

Q. As a matter of fact, you didn't have any of these powers of attorney at the time the transfer was suggested, did you?

A. I think we did.

Q. How many?

A. I can't just remember how many, didn't pay that much attention to it.

Q. This was rather important as far as these members were concerned, wasn't it?

A. I presume so. I know I had signed.

Q. You were interested in it, were you not?

A. I personally was interested and I know I signed the power of attorney in my Circle room prior to the first of April.

Q. 1914?

10

A. 1914.

Q. Don't you know, as a matter of fact, that lots of these powers of attorney were not signed?

A. I don't know.

Q. Don't know?

A. No, I don't know.

Q. They came through your hands, did they not?

A. They came to me, yes.

Q. I show you what appears to be powers of attorney which I have taken from that envelope. Are 20 they signed by the individual members?

A. I don't know; I wasn't there.

Q. Well, does it appear that they are signed by the individual members?

A. Well, it could have been drawn out afterwards.

Q. Aren't they typewritten papers?

A. They look like it.

Q. Aren't all these typewritten?

A. Yes.

Q. Is there any indication on there that they are 30 signed by any member?

A. I don't know indeed.

Q. You don't know?

A. I don't know.

By the Vice-Chancellor:

Q. You don't know whether there is any indication?

A. No; they are typewritten, certified to.

The Vice-Chancellor: If there is anything there he has not seen, show it to him.

By Mr. Harned:

10

Q. Is there anything to indicate that it is not in typewriting?

A. There is the signature of the secretary with the seal of the organization attached, certifying that they are correct.

By Mr. Redrow:

Q. What does that certify, Mr. Walter?

20 A. Certifies that those members have signed.

Q. Have signed where?

A. Signed these or authorized their signatures placed there.

The Vice-Chancellor: Well, the paper will show for itself, I think, Mr. Redrow; there is no use taking a lot of time over that. It is a typewritten paper with nothing on it but a signature at the bottom.

30 Mr. Harned: There is something on it. Read what it says.

The Vice-Chancellor: What does the paper say? Read it.

Mr. Redrow: "To the Supreme Circle, Brotherhood of America," &c. (reading paper).

POWER OF ATTORNEY.

We, the undersigned, members of

Circle,

Home, No. , of

do each for ourselves, assign, transfer and set over unto George W. Heinecke, Albert L. Welsh, and John R. Wills, and their successors in office, as Trustees for the Death Benefit Fund Association, all our right, title and interest in the excess dues paid by each of us respectively to the Supreme Circle, Brotherhood of America, and the Supreme Circle, Brotherhood of America, is hereby required to pay the same to them, and for their so doing, this shall be their sufficient warrant. Said fund to be used by said Association for the continuation of the Death Benefit Fund in the manner set out in their By-Laws.

Name.

Address.

Mr. Horner: If your Honor please, I have run through now approximately 70 pages of names, typewritten, in which there is an entire absence of any seal or any signature whatever, in fact, the names—

20

The Vice-Chancellor: Except in typewriting, you mean?

Mr. Horner: Except in typewriting, and, in fact, some of the pages, as indicated by page marked 3, show the names of purported members of at least three Circles signing the same sheet. I would be glad to have the Court look at that to see just exactly what it is.

30

The Vice-Chancellor: I think this had better be investigated. I have been proceeding under the assumption that there had been some authority given by these various members for the transfer of their money.

By the Vice-Chancellor:

Q. Are these all the authorities that were given—these typewritten papers here, where there are no
10 pen signatures?

A. Some were typewritten and some were not; the great majority of them are not typewritten, but it is where members—the secretary has sent into us the typewritten sheet.

Mr. Horner: Well, if your Honor please, I don't know where Empire Circle, No. 60, is, of Pennsylvania, but Millville Circle, No. 34, of New Jersey, and Crystal Fount Circle, No. 58, of Pennsylvania,
20 and Empire Circle appear to have all been written on the same page, and it is very interesting that the secretaries of the three different organizations should have turned in that one page. Then we come to one here purporting to be signed by the members of Montgomery Circle, of Pennsylvania, to which there is what purports to be a seal and—

The Vice-Chancellor: Those three Circles of different localities all on one page would indicate that
30 it was not the work of the individual lodges, to say the least.

Mr. Horner: Well, take one here that seems to be signed in pen and ink of Independence Circle, No. 38—you will see that the signatures are all in the same handwriting.

Q. Can you explain to me—you must know—how this thing was all done? It seems to be obvious in examining these authorities that they are not signed.

A. The great majority of them, sir, are, and until we came down to last week when we had to have them and then they were—then only a few was made up in that way, but ninety-five per cent. of them are sent in by the Circles and Homes.

By Mr. Harned:

10

Q. The others are ratified by the members continuing to pay their dues?

A. Yes, sir.

Mr. Horner: I object; that is a conclusion of law.

The Vice-Chancellor: I do not think that is a matter for the witness to swear to.

20

Mr. Redrow: Mr. Callingham has counted these. There are 1456 which are just plain typewriting; there are 7,733 with seal attached, written in typewriting, and there are 895 which are actually signed by the members themselves; all the rest are in typewriting.

The Vice-Chancellor: I think you had better eliminate that from the record and introduce it in proof.

30

Mr. Horner: These papers the defendants' solicitor says are not his. Now, I think that a matter of this gravity warrants the Court in impounding those papers.

Mr. Harned: These papers are powers of attorney addressed to individuals that are produced here.

The Vice-Chancellor: Many of them do not appear to be anything on their face, they are not signed at all.

Mr. Harned: Quite a number of them are not signed.

10 The Vice-Chancellor: If that count is right there are a very few of them that are signed.

Mr. Harned: Yes, but that count is not right.

Mr. Horner: If your Honor please, I am perfectly willing to make this suggestion: That Mr. Callingham, our accountant, with any one suggested by counsel for the other side, take these, under the supervision of Mr. Richardson, your sergeant-at-arms,
20 if you will, and make an actual count of the number of names that appear to be really bona fide signatures.

The Vice-Chancellor: I will accept his count, if he says he has already counted them.

By the Vice-Chancellor:

Q. Let me inquire whether these men are continuing to pay monthly dues to this new order?
30

A. Yes, sir; every one of them; and when we didn't have them quite all, when we were ready—when we had to come here to court, we simply put the names down on there, and I am saying to you that unless they have been expelled for non-payment of

dues they all are paying today. We have about 9,500 members who are paying the rate of dues of the Death Benefit Fund Association.

Q. But it looks now as though a very large proportion of these members to whom excess dues were payable knew nothing about what was being done with their excess dues at all. You seem to have assumed to transfer them into a new society, take them over bodily under your wing in a new organization, of a nature similar to the old, without their knowing anything about it.

10

A. We haven't done that, sir. The local—I will use the word again, the local organization done that. We get our authority from the local organization.

Q. But there are so many of these that do not have any authority to them at all?

A. But they are paying their dues all the same, and we presumed that that was sufficient.

Q. How do they know that they are not still members of the old order?

A. I am taking for granted—the one I belong to. I know the members knows different.

20

Q. They may have observed some little change in the name of your order but I do not see hardly how they would do that. They pay their dues to their own Circle, and unless they have individually assented to this thing I do not quite see how the fact that their Circle assented to it would bring it to their knowledge necessarily. I think we had better investigate that a little more after luncheon.

(At this point a recess was taken until 1.45 P. M.)

30

(Hearing resumed after recess, in the presence of the respective counsel heretofore noted.)

HENRY B. WALTER, recalled.

By Mr. Redrow:

Q. Mr. Walter, are the dues now paid to you?

10 A. As secretary of the Death Benefit Fund Association I receive the dues from the various Circles and Homes.

Q. Do you correspond with them on letterheads of the Supreme Circle?

A. I have letterheads there marked "Death Benefit Fund Association."

Q. Are they marked "Supreme Circle, Brotherhood of America"?

20 A. I have letterheads of the Death Benefit Fund Association.

Q. Who do you correspond with using the Supreme Circle letterheads?

A. I probably use both, whichever comes handy, but I have letterheads specially of the Death Benefit Fund Association.

Q. How are the checks payable—to you individually?

A. Some are "H. B. Walter," some are "H. B. Walter, Secretary."

30 Q. Are any of them "H. B. Walter, S. S. K."?

A. Yes, sir, some of them are that way; I take for granted they don't know any better.

Q. When you say they don't know any better what do you mean?

A. I take it for granted they—these local secretaries don't know any better.

Q. In other words, they don't know there has been a change?

A. Yes, they know there has been a change, yes, but force of habit.

Q. To be a member of this new fund is it necessary to be a member of the Supreme Circle?

A. No, sir.

Q. Is it necessary to be a member of the Brotherhood of America?

A. No, sir.

Q. Have you any members in this Death Benefit Fund Association that are not members of the Brotherhood of America? 10

A. No, sir. I want to correct that. They are all Brotherhood of America but not members of the Death Benefit Fund of the Supreme Circle, not registered in the Supreme Circle.

Q. But all these members that are now members of the Death Benefit Fund Association were members of the Death Benefit Fund of the Supreme Circle—is that right? 20

A. All that were are now, yes, sir; all that were members are now members of the Death Benefit Fund Association.

The Vice-Chancellor: That is not the question.

(Question repeated.)

A. Yes, sir.

By the Vice-Chancellor: 30

Q. You have lots of new members, haven't you?

A. Yes, sir; but they are not compelled to go in the Death Benefit Fund of the Supreme Circle; they

are not compelled to go in this Death Benefit Fund, understand, your Honor, we do not compel them to go in, where in the Supreme Circle they were compelled to go in the Death Benefit Fund, but there is Circles taking in members now that do not register them in the fund, because there is no compulsion; that is the way I want to get at it.

By Mr. Redrow:

10 Q. Mr. Walter, you executed this assignment of mortgage?

A. Yes, sir; I did.

Q. That was executed on the 9th day of April, 1914—is that right?

A. That is right, but I wouldn't be sure of the date.

Q. I show you a certificate of record on the last page of this assignment of mortgage and ask you when according to that certificate was this assignment recorded in the Register of Deeds' Office of this county?

A. It says May 16th.

Q. May 16th what year?

A. 1914.

Q. And it was recorded in Book 44 of Assignments of Mortgages page 436?

A. This says so; of course, that is all I know; I didn't say it.

Q. The certificate of record signed by Edward W. Delacroix, Register of Deeds, says that?

A. Yes.

Q. Now, when was the annual meeting of the Supreme Circle of 1914?

A. May 12th, 13th, I think, and 14th of 1914.

Q. May 12th, 13th and 14th?

A. May 12th, 13th and 14th or 13th, 14th and 15th; I have got it here 12th, 13th and 14th of May.

Q. Was there any special meeting of the Supreme Circle between the first of January, 1914, and your regular meeting of May 12th, 13th and 14th?

A. No, sir; I think not.

Q. There was no special meeting of the Supreme Circle?

A. No, sir; not from January 1st until May 12th, 1914; no, sir.

Q. Well, was there any between your annual meeting of 1913 and— 10

A. There was a special meeting held in the City of Philadelphia on July the 30th and 31st, 1913.

Q. July 30th and 31st, 1912, was it not? I show you a book.

A. It was right after the decision, yes, sir, 1912.

Q. So that there was no regular meeting or any special meeting of the Supreme Circle, Brotherhood of America, between the regular meeting held in Washington on May 13th, 14th and 15th, 1913, and the meeting held in New Haven, Connecticut, on May 12th, 13th and 14th, 1914? 20

A. No, sir.

Q. So that you as Supreme Scroll Keeper executed this assignment of mortgage without any authority from the Supreme Circle—is that true or not?

A. At the special session of the Supreme Circle held July 30th and 31st, 1912, a resolution was passed that the trustees of the Supreme Circle be authorized to pay back—at the session of the Supreme Circle held July 30th and 31st, 1912, the following resolution was passed: "That the Supreme Trustees be fully authorized and empowered to withdraw from the reserve fund such sums as may be necessary to pay the excess sums received as dues to 30

the Death Benefit Fund, and outstanding claims to date, under the law in effect and force March 1st, 1910.”

Q. Did that authorize you as Supreme Scroll Keeper to execute the assignment of mortgage which you have executed?

A. So as to pay back the excess.

Q. I ask you the question; just answer it.

(Question repeated.)

10

A. Well, there is a contingency attached to that. The Supreme Circle authorized us to pay back the excess dues and we had no money—

Q. I ask you if you depend on that authorization to the trustees as your authority for executing this assignment of mortgage?

A. Well, your Honor, there is a contingency there.

By the Vice-Chancellor:

20

Q. Well, do you know of any other authority than what you have just read?

A. No, no other authority than that. I would answer it by saying, by the authority of the Supreme Circle at that time I did so.

By Mr. Redrow:

30 Q. Depending on the authority which you have just read?

A. Yes.

By the Vice-Chancellor:

Q. The assignment was recorded immediately after the meeting of the Supreme Circle in 1914, wasn't it?

A. Yes, sir; and the Supreme Circle approved the action at the meeting in 1914.

By Mr. Redrow:

Q. Now, Mr. Walter, you say that at the meeting of July 30th and 31st, 1912, the trustees were authorized to refund excess dues—that is true, is it not?

A. Yes.

Q. By what reason did you continue to collect dues from any member after they had passed that law? 10

A. I don't know of any reason except their willingness to pay it.

Q. After the adoption of that law in 1912, July 30th and 31st, you say now that each member that paid excess dues did it of their own free and voluntary will and accord—is that right?

A. Yes, sir.

Q. And you know of no other requirement that required it to be paid—is that right? 20

A. That is right.

By the Vice-Chancellor:

Q. But during that period there was pending other litigation to test the validity of other by-laws to enable you to increase dues, was there not?

A. Yes, sir, there was.

By Mr. Redrow: 30

Q. And the by-laws concerning the increase of dues that were adopted at the time that this resolution was passed, July 30th and 31st, 1912, did what? What did they require to be done? What was done?

A. How is that? I don't quite understand.

Q. What did the laws of 1912, July 30th and 31st, provide?

A. Please give me the by-laws of 1913. (After examination of book) They only reiterate the dues as passed in 1909.

Q. And that provided for what—a graded schedule?

A. A graded schedule, passed in Washington, 1909, a graded schedule of dues.

10 Q. They re-enacted these laws?

A. Didn't re-enact them at all, they were enacted.

Q. They were enacted?

A. They were enacted in 1909 and put in force for those who are willing to pay dues.

Q. And didn't it also create a division of the fund and the members?

A. Sir?

Q. Didn't that law also provide for a division of the members and the fund?

20 A. Yes, sir; we did divide the funds, we did divide the membership into 1 and 2 divisions, we divided the the funds and we divided the reserve fund, but upon the decision of this Court here we put the two together again.

Q. Just a minute; you have answered the question. Your division of the funds and the members was made at that time in compliance with the law and with the blue and yellow slips which you sent out and which were returned to you and which you

30 identified this morning—is that right?

A. Yes, sir.

Q. And a person who did not execute one of the blue slips, designated Division No. 1, was placed in Division No. 2, was he not?

A. If you read on page 42 of the laws you will find that exactly, better than I can tell you.

Q. I am asking you what you did with a man who did not execute a blue slip, designated as Division No. 1?

A. Shall I read the law?

Q. I am asking you what you did. The law provides for what you did.

A. Well, I will have to say more than that for to answer that question properly.

The Vice-Chancellor: Go ahead and answer it in your own way. 10

A. (Resuming) "Any member being registered in the fund prior to March 1st, 1910, making application in writing at any time before January 1st, 1913, shall, at the option of the member, be transferred from one division to the other, and until such application is made the Supreme Scroll Keeper shall classify each member according to the dues the member has been paying."

Q. And you followed out that law? 20

A. Sure.

Q. And unless a member did by writing authorize you to transfer him to some other fund you kept him in the fund in which he had previously been paying dues?

A. In which he was paying dues. If he was paying the straight 50 cents he was classified by myself as a member of No. 2 Division, if he was paying the increased rate of dues he was classified in Division No. 1, without regard to signing either the blue or yellow slip. 30

Q. Now, between the time of this ascertaining of the amount of the fund due and the execution of this assignment, didn't you execute vouchers authorizing the money to be paid out of the reserve fund to these Circles or members for their return dues?

A. I presume that we took—we didn't have enough, we took it out of the reserve fund.

Q. Well, do you know whether or not you did sign vouchers authorizing the repayment of that excess due money to the members of either Division 1 or Division 2?

A. When the members of Division 2 demanded their money we paid them. Now, I can't say just at the present time what fund it came out of; we paid them their money back.

10

By the Vice-Chancellor:

Q. Don't you mean Division 1 instead of Division 2? There was no excess for Division 1, was there?

A. There was no money paid back in Division 1, no, sir.

Q. Then you mean Division——

A. Division 2, they had paid excess dues to the amount of over \$24,000.

20 Q. Now he wants to know whether any of that was taken out of the reserve fund, any of that \$24,000. Can you answer that?

A. I think it was.

By Mr. Redrow:

Q. But you don't recall at this time ever having signed any vouchers for Division No. 1 to return excess dues?

30 A. We didn't return no excess dues to Division No. 1 members until after it became the Death Benefit Fund Association.

Q. And the Death Benefit Association was not created until March, 1914?

A. Yes, sir.

Q. I show you voucher 29 of the reserve fund and ask you to state whether or not that has been signed by you as Supreme Scroll Keeper and what it is for?

A. Yes; now, when you show me this I will tell you, yes; I can't remember all those little details; yes, sir; this is a voucher, Industrial Trust Company, refund of dues to members of Division No. 1 admitted prior to March 10th, 1910, yes, sir.

Q. How much is that voucher for?

A. \$5,380.10. You may have more there. 10

Q. Was this voucher paid by the Industrial Trust Company from the reserve fund?

A. Must have been, says reserve fund. Of course, the receiver has had all these things.

Q. I show you another voucher and ask you if that has been signed by you and to state what it was for and whether or not the voucher has been paid?

A. Yes, sir; that has been signed by me and the voucher has been paid by the bank.

Q. And what is it for? 20

A. Refund of dues to members of Division No. 1 admitted since March, 1910.

Q. And what is the amount?

A. The amount is \$1,762.97. That was members that wanted their money back. There was some in Division No. 1 that wanted their money back and some in No. 2.

By the Vice-Chancellor:

Q. I cannot see under what condition members of Division 2 had any money coming back unless they had been transferred to No. 1. 30

A. Well, some had been, but they had paid excess dues; many, in fact nearly ninety per cent. of the

members paid excess dues during this controversy of the Poole case up in Trenton before Vice-Chancellor Walker.

Q. Well, the members of Division No. 2 would not under any circumstances pay excess dues, as I can see it, because the members of Division No. 2 were composed of men who would not go into Division No. 1.

A. But, your Honor, they paid these excess dues before we made two divisions. We didn't make the
10 two divisions until they——

Q. I see now.

A. ——brought us into court.

By Mr. Redrow:

Q. On this last voucher—I will ask you what date the voucher is dated?

By the Vice-Chancellor:

20 Q. There were no Divisions No. 1 and 2, at the time you were making these repayments?

A. No, sir;—June 2nd, 1913.

Mr. Redrow: Now, let us get that straightened out. That is not true, your Honor.

The Vice-Chancellor: Under the original by-laws there were no divisions at all, as I understand it?

30 Mr. Redrow: That is correct, but I will straighten it out.

By Mr. Redrow:

Q. Now, Mr. Walter, as I understand it, July 30th

and 31st, 1912, is the time when the two divisions was created, is it not?

A. Yes, sir.

Q. The vouchers which I have shown you—will you just state the date which they were returned?

A. June 2d, that was two months before—

Q. 1913?

A. That was before there was two divisions.

Q. Well, I ask you again: It was 1912 when the division was made, wasn't it?

A. Oh, hold on; don't you go too fast on me. Your Honor, I want to call your attention to a fact— 10

Q. Just a minute; Mr. Harned is looking after your interests.

The Vice-Chancellor: Go on; I am listening.

A. —that we have made a division, and according to the age or length of membership of the members, and you suggested that we ought to have done it on expectation of life, and I didn't come here prepared with all those datas in my mind and it is impossible at this present time for me to go back to them, I didn't suppose this thing was going to lead back into that far. 20

The Vice-Chancellor: You can refresh your memory. Take your time and refresh your memory on dates.

Mr. Redrow: I would like to have these vouchers identified in the order in which they are dated and the amounts. 30

Q. I show you voucher under date of March 21st, 1913, marked "Reserve Fund," No. 16, and ask you

what that voucher was for and the amount of it and whether or not the voucher was paid?

A. It says "Refund of excess payment to members admitted prior to March 1, 1910."

Q. And the amount?

A. \$1,170.50.

Q. And was that voucher paid?

A. That voucher was paid.

Q. By the bank on which it was drawn?

A. Yes, sir.

10

Mr. Redrow: I would like to have that marked for identification.

(Said paper marked C8 for identification.)

Q. I show you voucher No. 17, bearing date March 21st, 1913, reserve fund, and ask you what that was for, the amount and if it was paid?

20 A. "Refund to members, Division 1, admitted since March 1st, 1910, \$506.77," appears to be paid, the bank has got it stamped paid.

Q. Signed by you?

A. Signed by me, yes.

(Said paper marked Exhibit C9 for identification.)

By the Vice-Chancellor:

30

Q. Why have you heretofore referred to these vouchers as vouchers issued to members in class 2? There is nothing on the vouchers about class 2, is there?

A. No, sir; not these.

Q. I show you voucher No. 18, bearing date March 21st, 1913?

A. "Refund of excess payments to members of Division 2."

By the Vice-Chancellor:

Q. What date was that?

A. March 21st, 1913.

By Mr. Redrow:

10

Q. And the amount?

A. \$358.

Q. Was that paid?

A. That is paid; the bank says so.

(Said paper marked Exhibit C10 for identification.)

The Vice-Chancellor: Let all the vouchers be identified by numbers in a bunch. 20

By Mr. Horner:

Q. I show you voucher No. 19, for \$1,159.13; No. 20, for \$7,702.35; No. 21, for \$333.55; No. 22, for \$8,069.45; 23, for \$1,392.81; 24, for \$1,664.25; 25, for 80 cents; 28, for \$2,995.10; 29, for \$5,380.10; 30, for \$1,480.42; 31, for \$71.09; 32, for \$318.50; 33 for \$12.30; 34, for \$1,212.35; 36, for \$9,952.50; 37, 30 for \$547.58; 38, for \$2,343.70; 39, for \$226.40; 40, for \$1,270.80; 41, for \$5,128.90; 42, for \$788.50; 43, for \$1,503.59; 44, for \$6,759.30; 45, for \$1,042.34; 46, for \$151.95; 47, for \$357.50; 48, for \$1,760.87; 49, for \$2,076.62; 50, for \$7,932.45; 51, for \$6,063.10;

52, for \$34.14; 53, for \$372.43; 54, for \$1,409.15; 55, for \$420.20; 56, for \$581.42; 57, for \$799.15; 58, for \$2,787.76; 60, for \$1,111.51; 61, for \$4,784.20; 62, for \$4,434.02; 63, for \$7.80; 64, for \$127.50; 65, for \$49.20; 35, for \$1,762.97; 15, for \$135.65; and I ask you if they were all signed by you as Supreme Scroll Keeper?

A. Sure.

Q. Were they also signed by the Supreme Trustees?

10 A. To the best of my knowledge and belief that is their signatures.

Q. And were they paid?

A. They were.

Q. And what was the general purpose for which all of these vouchers were drawn and paid?

Mr. Harned: Well, now, each voucher specifies exactly what it is for.

20 The Vice-Chancellor: Well, are they all for the same general purpose?

Mr. Harned: I presume so.

A. Some are Division No. 2 and some Division No. 1.

Q. What is the general purpose for which all these vouchers were drawn and, as you say, paid?

30 A. It is returned money, excess dues returned to members who desired their excess dues refunded. Here is one, "Refund to members Division No. 1 admitted prior to March 1, 1912, Circle No. 2, \$12.30." They got their money back out of Division No. 1 and went into Division No. 2. Here is one, "Refund to members of Division No. 2, Circle 17, Pa., \$49.20."

They had paid that in prior to making the two divisions, and we had classified them in Division No. 2; they wanted their money back and stayed there too, believing 50 cents was enough.

Q. Well, these vouchers were drawn to pay to the respective members the excess dues which they had been paying under the law enacted in 1909, which went in effect March 1st, 1910—is that not true?

A. That is correct.

Q. And which is the aggregate, according to your prior testimony, amounted to \$113,595.15—is that 10 right?

A. No, sir; that figure that I gave you was what was due those members after the final decision of the Court.

Q. Very good, but you told Mr. Redrow, in response to a question, that the total amount of excess dues paid at all times and from all sources amounted to \$113,595.15, did you not?

A. Yes.

Q. And did you not tell him that \$24,695.82 of 20 that had been paid to the members?

A. Yes.

Q. Which left a balance of \$88,899.33 due to the members, for which, as you allege, there was a transfer of these mortgages which were in the reserve fund to the representatives of the members—is that right, Mr. Walter?

A. No, sir.

By the Vice-Chancellor:

30

Q. Well, state what is right.

A. I said that twenty-four thousand, six hundred and, I think, ninety-five dollars was paid to the members of Division No. 2; I didn't say anything about paid to division of members No. 1.

Mr. Horner: I would like to have these vouchers, those that I have read simply, marked for identification.

(Said papers marked Exhibit C11 for identification.)

Q. How much, then, was refunded in cash?

A. I am not prepared to say what was refunded to the members of the Division No. 1 before we made
10 the final settlement, but when we made the final settlement there was \$88,899.33 due them. I made no note of what was paid to members of Division No. 1 prior to that, to the date of that amount paid to Division No. 2 members:

By Mr. Horner:

Q. But you told Mr. Redrow on more than one occasion, in your cross-examination before recess, that
20 the total amount of excess dues paid by members of all classes and at all times in the aggregate amounted to \$113,595.15, did you not?

A. Yes.

Q. What is the answer?

A. I ain't answered yet.

Q. Will you please answer the question? I do not think that is a difficult question and needs such a deal of study.

A. Yes, sir; I did say that, yes, sir.

30

Mr. Horner: Now, if your Honor please, I do not want to appear as counsel, but I was familiar with these records and wanted to question the witness on the subject. I would like to have Mr. Redrow take it up now.

The Vice-Chancellor: I would rather one counsel take up the examination; I do not care which one.

Mr. Horner: Yes, I appreciate that; I am a party and want to keep out of it, but I was rather familiar with those records, which was the reason I got in.

By Mr. Redrow:

Q. This morning you testified in regard to Exhibit D3 that interest had been calculated and awarded to these trustees. Under what authority was that adopted? Was that adopted by any order of the Supreme Circle? 10

A. It was adopted by the officials of the Supreme Circle.

Q. Without any vote, as far as the Supreme Circle was concerned?

A. Well, the Supreme Circle approved the action.

Q. In paying the interest?

A. Yes, sir. 20

Q. Does the reports anywhere show that any interest was allowed for excess dues so that the individual members of the Supreme Circle—

A. No, but it was explained to the Supreme Circle.

Q. Can you show that in any of the reports—where it was explained?

A. No, the explanation doesn't show the interest.

Q. The book which you are looking at shows the minutes of the Supreme Circle, does it not? 30

A. Yes, sir.

Q. And it doesn't show that any explanation was made to the members of the Supreme Circle taking into consideration this interest?

A. Not here but it was in the matter of debate.

Q. You were the Supreme Scroll Keeper?

A. Yes, sir.

Q. And it is your duty to take down the minutes?

A. I take down the minutes but there are many things in the debate you don't report.

Q. But it doesn't appear in the minutes?

A. There was no record made of it on the minutes but in the matter of debate, talking over the subject, it was explained by Mr. Yohn, one of the trustees, that the interest had been allowed.

10 Q. How much was involved as having been allowed to the trustees by the Supreme Circle officers?

A. How much interest?

Q. Yes.

A. \$7,670.33 was the interest.

Q. Wasn't that item of \$7,670.33 of sufficient importance to you as Scroll Keeper to enter it in the minutes?

A. I entered into the minutes the report of the trustees, not the argument that was used.

20 Q. Does that report of the trustees show anything about a claim of \$7,670.33 for interest?

A. No, sir.

Q. And yet you participated in paying that money?

A. Sure.

Q. And used that statement which you prepared to assign these mortgages without informing the members of the Supreme Circle anything at all about it, how the details were made up—is that right?

A. The members were informed how it was done;
30 yes, sir.

Q. Where is there anything to show for it in your minutes?

A. On page 33 of the journal of 1914.

Q. Where is there anything on page 33 in the journal of 1914 about \$7,000 interest?

A. I didn't say there was anything about the interest; you spoke of the assignment of mortgages.

Q. I am asking you about the \$7,000 interest that was calculated in there?

A. I told you there was nothing said in here about the interest, it was combined with the whole amount, but the interest was mentioned in the statements made by the several members.

Q. Is there anything in this volume of minutes of 1914—

A. I said no.

10

Q. —that refers to how this amount was made up?

A. No.

Q. There is not anything at all—is that right?

A. That says "for the reimbursement to said members who had paid excess dues your trustees, by resolution, made assignment of mortgages valued at \$89,800—"

Q. What page is that?

A. Page 33—"reported as part of assets of No. 20 1 fund, to legal representatives of those concerned, with security for repayment of difference."

Q. Now, in the preceding sentence it says: "In the final settlement \$88,899.33 appeared as the total amount of excess dues paid by members since March 1, 1910." Now, is that true?

A. It says "appeared as a total amount."

Q. Well, is it true?

A. It did appear a total amount, that is, with the interest included.

30

Q. Is there anything in the statement about interest?

A. No, but the mortgages were earning interest and we considered they were entitled to it.

Q. This statement says that this amount of \$88,-

899.33 appeared as a total amount of excess dues paid by members since March 1, 1910. Now, was it paid or wasn't it?

A. We construed that the interest was part of their excess dues.

Q. Is there any statement here that shows what you considered?

A. No, but the officers did, the officers had the right to do that.

Q. No report of this interest item was ever made
10 to the Supreme Circle?

A. I don't see it there.

Q. Well, do you know?

A. I don't remember.

Q. In making up your total of \$113,595.15, as representing paid excess dues which were returnable, did you figure in that amount seven thousand dollars and some odd cents for interest?

A. Yes, sir.

Q. And that \$113,000 includes \$7,670.33 interest?

20 A. Yes.

Q. And excluding interest the entire amount payable was less than \$113,000?

The Vice-Chancellor: \$7,670 less. Why burden
the record with that? Now, to cut this short, let me
give you his testimony as I have it here, and don't
go all over it again. He said there was paid in
cash excess dues to the amount of \$24,695, I did not
take the cents; he said there was paid by assignment
30 of mortgage excess dues to the amount of \$81,229,
principal, and \$7,670, interest, making a total of
\$88,899; adding to that the \$24,695 paid in cash
makes a total of \$113,595. Now, that is the way I
took it down this morning and I have not heard it
changed in the slightest degree since.

Q. I show you exhibit marked D5 for identification and ask you when the Supreme Circle received that?

A. Received that there from time to time, month after month, year after year.

Q. Received this paper I am speaking of? When did you receive this paper?

A. Well, I suppose they received that at the time of the settlement, or afterwards, I don't know the exact day.

Q. When you say settlement what settlement do you refer to? 10

A. Why, when the moneys was turned over.

Q. At the same time this exhibit, which you say you received about the time of the settlement, was turned over to you, did you also receive the powers of attorney accompanying that receipt?

A. They came into our possession from time to time, not all at one time.

Q. Well, did they come into your possession at the time you got this receipt? 20

A. They came into our possession before that, I think.

Q. How many were in your possession at the time this receipt was given?

A. I don't remember.

Q. You don't know?

A. I don't remember.

By the Vice-Chancellor:

Q. Why doesn't this receipt, Exhibit D5, which reads, "Received of the Supreme Circle, Brotherhood of America, the sum of \$88,899.33 in mortgages, in payment of excess dues to the following named members of the Death Benefit Fund"—then follows thir-

ty or forty pages, perhaps, of typewritten names—express the full amount paid? Why does it express the amount as \$88,000 rather than \$113,000, the amount actually paid?

A. Because that was the amount due the members at that time, when this was made; there was money paid for excess dues prior to this, far enough prior to this—prior to the \$24,000, but this is the money that remained in the hands of the Supreme Circle.

10 Q. No, but you don't understand me. Why doesn't this include the interest?

Mr. Harned: That does include the interest, that is the total.

A. That is the total, \$88,899.33.

The Vice-Chancellor: Then I have my figures wrong. No, I am mistaken about that. That is
20 right.

By Mr. Redrow:

Q. And those vouchers which you have identified, Mr. Walter, includes the payment of Division No. 2 excess dues, which is the \$24,000, as well as the refund to Division No. 1, do they not?

A. I wouldn't know unless I had our books here. I couldn't swear to it.

30 Q. All right.

A. You have got all the books and vouchers and stubs and I am at sea on that.

By Mr. Harned:

Q. The blue and yellow slips— do you remember when they were sent out?

A. It seems to me they were sent out right directly after—

Q. Well, in 1912?

A. After the meeting of 1912.

Q. In the meeting of 1912 the law was changed providing for the two funds?

A. Two divisions, two funds.

Q. And then the yellow slips were sent out?

A. Yes.

Q. Asking the members to elect which they would go into?

10

A. Yes, sir.

Q. And that was taken into this court in the case of Daniel H. Park vs. Supreme Circle?

A. Yes.

Q. And after that was decided here the yellow slips fell, did they not?

A. Yes, sir.

Q. The result of that was to set aside the law?

Mr. Redrow: I object. The case is already in 20 evidence.

A. Then we placed both together.

The Vice-Chancellor: I do not know whether it is already in evidence or not, but I think the Court will take notice of its own proceedings anyway.

Q. And that continued up until March of 1914—that litigation continued until March of 1914 when 30 you prepared to return all of the excess dues?

A. Yes, sir.

Q. Did you ever make a tabulation and account of all the excess dues that were paid back to members?

A. It has been made; I didn't make it; our clerk made it. Of course, I saw it and confirmed it.

Q. Well, is that the \$24,695 statement, or was there more than that paid back at different times?

A. Oh, there was more than that paid back at different times.

Q. But that is the amount that was due at the time you made this calculation?

A. Made this calculation, there was money paid ahead of that.

10 Q. And these vouchers represent payments made previous to that and also after?

A. Yes, sir; there are vouchers there paid back in April, 1913, before this tabulation was made.

By Mr. Redrow:

Q. But the total amount, as I understand, Mr. Walter, of excess dues returnable is one hundred and thirteen thousand some odd dollars?

20 A. No, sir; they were paid before this calculation was made.

The Vice-Chancellor: Back of the \$24,000 he says there were other payments.

Q. How much were they?

A. Well, I don't know, I couldn't tell you, because I haven't got a record.

30 Mr. Harned: You have got your vouchers there.

The Witness: You have got everything yourself.

Q. These vouchers cover not only the amount but the number of members and the circle to whom they were paid?

A. Your Honor, they have got everything over there, Mr. Horner has.

Mr. Redrow: I think on the direct examination this witness said he had a statement showing month by month the exact amount of excess dues returnable and that that amount was calculated as a whole up to April, 1914, and amounted to \$113,000.

The Vice-Chancellor: Well, he did not make it clear originally that there had been some payment back of the \$24,000 but he says now that this \$24,000 item only included what was payable at the time he made the calculation and hadn't already been paid at that time. 10

By the Vice-Chancellor:

Q. Is that right, Mr. Walter?

A. All these figures of this \$105,000 was made to July, 1913, and there was money paid out long before that; that was after the case was taken to the Court of Errors & Appeals, at the June Term, 1913, and then in July, 1913, we made this computation. They have vouchers there for money paid out in February, March, April, May, 1913. 20

By Mr. Redrow:

Q. Now, Mr. Walter, have you any way of definitely telling how much was payable for excess dues from March 1st, 1910, up to March, 1914? 30

A. Not unless you give me back the vouchers. I give them to you.

Q. Didn't you say this morning that you had a statement which you made up from month to month

in which you calculated all the excess dues returnable?

A. You have got that.

Q. Does that statement show all the excess dues returnable?

A. I couldn't tell you now.

Q. Where is the statement?

A. You have got it.

Q. Was there any excess dues prior to that time?

Does that statement contain all the excess dues that
10 are returnable?

A. I don't remember.

Q. Well, do you know whether it does or not?

A. I think it ought to but I won't be sure. I think it ought to.

Q. Well, look at it and see.

A. Well, if I would look over it I wouldn't know anything.

Q. Look at it and see if it does, if you can tell?

A. I couldn't tell now without having the books of
20 the association in my possession and comparing it.

Q. Didn't you say you had such a statement this morning?

A. I said this was a statement of the dues, this is a statement of dues of members since March 1st, 1910, excess due members admitted prior to March 1st, 1910, as far as it goes.

Q. How far does that go?

A. I don't know; there is no date on it; you could get the dates off of those vouchers.

JOHN RUHL, a witness produced in behalf of the defendants, being duly sworn according to law, on his oath says:

By Mr. Harned:

Q. Where do you live?

A. 6332 North Camac, Philadelphia.

Q. What is your business?

A. I am clerk of the Supreme Circle. 10

Q. How long have you been clerk of the Supreme Circle?

A. Since 1899.

Q. As clerk was it your duty—what was it your duty to care for in the office?

A. Well, I did general clerical service.

Q. Did you keep the books?

A. I did, so far as the membership went and the entry of payments of dues, fines, assessments, &c.

Q. How many of these books were there? 20

A. Well, there were a number of them. The rate sheets were all given to the receiver, the registration books, the register of membership.

Q. How many books of the registration of membership?

A. Sixteen.

Q. And you had charge of those and also of the book which registered the different payments?

A. Yes, sir.

Q. And attended to the work yourself? 30

A. Yes, sir; with the aid of our stenographer, of course, but it was directly under my supervision.

Q. Did you make up a statement of the amount of excess dues that was to be returned?

A. I did.

Q. Did that statement include all of the excess dues or excess dues at the time the statement was made?

A. That included the excess dues up until April, up until the end of March, 1914.

Q. And when did it start?

A. It started from March, 1910.

Q. Included both classes?

A. Sure.

Q. All that had paid excess dues?

10 A. Yes.

By the Vice-Chancellor:

Q. It included all unpaid excess dues at that time?

A. No, all paid excess dues.

By Mr. Harned:

Q. All that had been paid into the Supreme
20 Circle?

A. Yes, sir.

By the Vice-Chancellor:

Q. I mean all unrefunded excess dues at that time?

A. Yes.

Q. But had there been some refunded prior to that time?

A. I think Mr. Walter is in error about that; there
30 had been no refund of dues prior to the twenty-four thousand and the eighty-nine thousand.

By Mr. Harned:

Q. That constituted all of the excess dues?

A. Yes. There might have been a small item of dues from members admitted subsequent to the first of March, 1910, but after your Honor's second ruling in the Park case the entire funds—those entire funds were put into the general Death Benefit Fund, so that the excess of vouchers over there is just what that is.

By the Vice-Chancellor:

Q. Then you think the total excess dues received **10** from beginning to end are included in the figures that were given?

A. Absolutely in the \$89,000. I say that because in collaboration with Miss Ross I made up all these items and they are now in court here, showing the amount refunded to each Circle and Home, taking member by member.

By Mr. Harned:

20

Q. Did you draw the vouchers?

A. And I prepared the vouchers after they had been submitted to the Supreme Scroll Keeper and the trustees.

Q. And each voucher specified the amount to be paid to the Circle or Home?

A. Exactly.

Q. Specifically?

A. Specifically.

Q. And the total of these vouchers must be the **30** amount that has been returned?

A. Necessarily, and it is.

Q. I show you Exhibit D3 and ask you if you prepared that statement?

A. Yes, sir. This was prepared at my dictation

and verified from the vouchers in the voucher book, as you will note by these check markings.

Q. Now, explain to the Court how you made up each item.

A. Well, we took number 1, for instance, number 1 Circle of Pennsylvania. They had absolutely nobody in what we at that time distinguished as Division 2—they were all paying the excess dues—therefore, there was no refund to that Circle at all except the \$406.60 as excess dues of a Division 1
10 member, which is naturally incorporated in this \$89,000.

Q. Now, you took all of the members in your fund in number 1 of Pennsylvania, and how did you arrive at the amount?

A. We arrived at the amount by the duration of each membership in the fund; that is, if a man who had paid 60 cents paid 28 months' dues he would be entitled to a refund of 10 cents for that period of time.

20 Q. Ten cents a month?

A. Ten cents a month. There was no monthly sheet made except from April, 1913, to March, 1914, when the final settlement was made, then there was a monthly calculation made; it is appended on the back of this.

Q. Now, in making up that calculation you examined each name in that Circle number 1?

A. Yes.

30 Q. And found out their age and what they were paying in?

A. Yes. They are all registered in the various grades. There is grade 1. From 16 to 21 would be in grade 1. Grade 4 is the first one paying excess dues, that is the 60-cent payment, therefore we took that Circle and made up a statement from the number of members and the amount paid.

Q. Counted the names in the Circle?

A. Counted the names in the Circle, yes, up to the period of their membership, during their period of membership.

Q. And credited them with having paid in that amount of money?

A. Yes, sir.

Q. And then took the next grade?

A. Yes.

Q. And did the same thing?

A. Yes.

Q. Where is the memorandum from which you made this calculation?

10

A. The memorandums are right over there in those yellow envelopes.

Q. How long did it take you to make this calculation?

A. It took me nearly nine months with the aid of the stenographer to make the calculation. We began in March, 1913, and ended, oh——

Q. Now, after you had gone through the different periods of membership then you totaled the whole?

20

A. Yes, sir.

Q. And the amount that totaled is what you set down in the column?

A. Yes, sir. You will observe that the totals across are the totals of the sub-divisions on this sheet and so on all the way down.

Q. Now, the first column here represents what?

A. The first column represents the Circle, dues of members since March 1, 1910.

Q. That is the second column?

30

A. That is the second column; that practically went into the fund after his Honor's ruling. Now, then, the division of the refunds are in the third column, and the fourth column—the third column

represents the excess dues paid by members admitted prior to March 1st, 1910, and the other column represents those members who were in Division 2, as we styled them, and of course afterwards, after the decision of the Court, they were treated as number 2 members purely as a matter of bookkeeping, they participated in the entire funds.

Q. You went through the whole membership in that manner?

A. Absolutely.

10 Q. And in the one column you set down those whom you understood to be number 1, and in the second column those you understood to be number 2?

A. Yes.

Q. And the last column represents what?

A. I didn't understand them to be so; they were so registered; there were changes afterwards from 1 to 2 and from 2 to 1, but that, of course, adjusted in the regular order of business.

Q. Now, then, what is the last column?

20 A. The last column is the total of all the sums across.

Q. That represents the entire amount refunded for all purposes to the members of that Circle?

A. Sure.

Q. Now, these papers I show you here are the various memorandums that you made as you went along and from which you made your calculation?

A. Exactly. Some of them were the subject of correspondence, as you will observe letters attached

30 to them.

Q. There was sometimes a dispute as to how many members were in?

A. Yes, sure. If any Circle made any complaint as to the amount of its refund—and there was such complaint made—we furnished them detailed in-

formation of the amounts to which they were entitled, and I am proud to say we had only five errors in the entire calculation.

Q. And the total of this paper—when was this calculation made?

A. This calculation was made at various times; there was no monthly tabulation made, the tabulations were made from day to day.

Q. Up to what time was it made?

A. This calculation?

Q. Yes.

A. It was made up until 1913.

Q. What date in 1913?

A. March, 1913, or, rather, April, 1913.

Q. And the total as shown by this column represents the amount of money—

A. \$89,000.

Q. —that was entitled to be returned to the several members, and the third column represents the amount that was to be returned to those that you understood to be in number 1?

A. Yes, sir.

Q. Now, did you carefully add up the amount that was to be returned?

A. I did.

Q. And how much did it amount to?

A. The amount of the refund to Division 1 members was eighty-nine thousand and odd dollars, less the \$7000 interest; the amount refunded in Division 2 members was twenty-four odd thousand dollars. The figures are in evidence. The total amount of refund to what we knew as the Division 1 members— I presume your Honor will recognize that distinction—was \$81,229, and the amount returned to the Circles by check was twenty-four thousand and odd dollars.

10

20

30

Q. Were you present when the calculation of interest was made?

A. I was in the room, but did not participate in the calculation of interest. I knew it was made by Brother Walter and Brother Yohn.

By the Vice-Chancellor:

10 Q. The amount is the amount which the last witness stated, \$7600?

A. That was the interest, yes.

By Mr. Harned:

Q. Were you present at the meeting of the Supreme Circle held in New Haven?

A. Yes, sir.

Q. And did you hear this matter discussed?

A. I certainly did.

20 Mr. Redrow: It seems to me those records made at that time speak for themselves as to what transpired at that meeting; the minutes are introduced in evidence.

The Vice-Chancellor: The minutes are not conclusive. It is competent to show that matters transpired which are not on the minutes.

30 Mr. Horner: Are they not conclusive against the party making them?

The Vice-Chancellor: No, I do not think they are conclusive as to what the members were apprised of; I cannot think so.

Q. Now, did you hear the discussion of this matter?

A. I did.

Q. Explain to the Court the best you can what occurred.

A. The entire subject of distribution was thoroughly made clear to the members.

Q. Who explained it?

A. Well, Brother Yohn explained it, I think I took some part in the discussion, and I am quite sure that Mr. Bacon, another one of the trustees, took part 10 in the discussion.

Q. Did you discuss how the figures were made up?

A. We did.

Q. How did you explain it?

A. We explained it by telling them that the membership was entitled to a refund for the period of time that they remained in the fund; that, of course, varied; accordingly, some Circles only paid their dues up for the graded rate of dues for two months, others paid them up for twenty-eight months and 20 then finally asked for their refund.

Q. Now, what was said about the interest?

A. I think Brother Yohn called attention to the fact that there was a certain amount of interest charged, and the figures in the book, in the refund of dues, and the amount in the report of the trustees, would about show the interest, so that it was very easy for an inexperienced to determine just exactly what the interest was, but it was the subject of general conversation. 30

Q. Did you take part in the discussion?

A. I did.

Q. And did you explain how you—

A. I explained how I arrived at my figures.

Q. And did you explain that the dues were seven thousand and odd dollars less?

A. I don't know that I especially explained that, but I am quite sure that Mr. Yohn did.

Q. And did you explain just what your figures were?

A. I beg your pardon.

(Question repeated.)

A. Yes.

10 Q. You travel around among the different Circles a good deal?

A. Very extensively.

The Vice-Chancellor: Mr. Harned, I did not get the figures this witness gave correctly, perhaps. It does not seem to me that they tally with the figures the last witness gave.

By the Vice-Chancellor:

20 Q. Will you state again for my benefit, please, what moneys have been refunded in cash and in mortgages?

A. There was \$81,229 refunded to members of Division 1, which, with the interest of \$7670.33, made up the aggregate amount of the mortgages, less nine hundred and some odd dollars.

Q. Wait a moment. That makes \$88,899.33.

30 A. Then there was nine hundred and some odd dollars due, the difference between that and the mortgages, which was eighty-nine thousand, wasn't it?

Q. I don't know.

A. Yes; eighty-nine thousand eight hundred, the mortgages were eighty-nine thousand eight hundred.

Q. Now, prior to that time there had been \$24,695 paid—is that right?

A. That is the amount paid to members of Division 2.

By Mr. Harned:

Q. That doesn't come out of these figures?

A. That didn't come out of these figures, however, so that there was a gross total of refund of about \$114,000—\$105,000.

By the Vice-Chancellor:

10

Q. That includes the amount that was paid prior in cash, \$24,000?

A. That is it exactly; that was paid direct to Circles and then distributed by the Circle.

By Mr. Harned:

Q. In your visiting among the different Circles was the subject of the Death Benefit Fund Association ever discussed? 20

A. I don't think there was anything else ever discussed.

Q. It was a matter of public notoriety in the Circles, was it?

A. Sure, sure.

The Vice-Chancellor: Mr. Harned, I think you had better ask the witness questions. Let the witness testify.

30

Q. How often did you hear it discussed?

A. Times without number.

Mr. Horner: What relevancy has this in the case? I object.

The Vice-Chancellor: I will sustain the objection. He can testify to what transpired at the meeting, if that is what you want to know. You are asking now what was talked outside.

Mr. Harned: No; I am asking about what he heard in the local Circles, in their rooms, regarding this Death Benefit Fund.

10 Mr. Horner: I object. If there is any affirmative action there is a record of it, I suppose. Let us have the record.

Mr. Harned: The record is all here and we have the affirmative action.

Mr. Horner: I know; what is the use of having a lot of gossip that may be traveling around in the organization?

20 The Vice-Chancellor: I do not believe that is evidential of matters that transpired in the local Circles in the absence of their minutes. What are you trying to establish—common information?

Mr. Harned: Common information; yes, sir.

The Vice-Chancellor: I think you will have to have more than that to do it. How many Circles have you got?

30 Mr. Harned: We have got over a hundred. One hundred and ninety.

The Vice-Chancellor: Well, suppose you establish it in ninety of them. Do you mean to take up each Circle and show that each Circle knew?

Mr. Harned: No, but I propose to show——

The Vice-Chancellor: Ask your question and I will rule on it.

By Mr. Harned:

Q. You visited the various Circles, did you not, during the last five years?

A. Yes.

Q. How many do you suppose you have visited? 10

A. Well, I think it is safe to say I have been in over a hundred Circles in the last five years.

Q. Was the subject of the Death Benefit Fund Association there discussed?

A. Yes.

By the Vice-Chancellor:

Q. In the whole hundred?

A. If the Court please, I don't know that I ever attended a Circle meeting in which I was not pushed forward to explain this Death Benefit Fund, because it was the all-absorbing topic. 20

The Vice-Chancellor: Mr. Harned, what is it you propose to show by this line of examination?

Mr. Harned: I want to show that all the members of the Funeral Fund knew of the Death Benefit Fund Association. Here are a lot of powers of attorney coming from local Circles authorizing the Supreme Circle to pay the amount of money due to those members over to this association. Now, I want to show that the members knew of that association and that when the Circle certified that it should be paid over it was done intelligently. 30

Mr. Horner: I object to that.

The Vice-Chancellor: I will not permit that to be established in this way. I think it is clearly incompetent and impossible. If you have any proof of authorization by a member introduce it specifically and not by hearsay or by general information that this witness thinks must have existed.

10 Mr. Harned: Now, there are 6000 members here, and it would simply be impossible to bring 6000 members before this court.

The Vice-Chancellor: Well, then I will have to treat it as an impossibility.

Mr. Harned: But it is quite possible for one member who has been around amongst this 6000 to testify.

20 The Vice-Chancellor: To what the whole 6000 knew?

Mr. Harned: Well, as to what was the general reputation in the Circle?

The Vice-Chancellor: I will exclude the evidence.

Mr. Harned: I offer to show by this witness—

30 The Vice-Chancellor: Ask your question and I will rule on it.

By Mr. Harned:

Q. Was the subject of the Death Benefit Fund Association discussed at these meetings?

A. It was.

Q. Did the members discuss it?

A. It was discussed pro and con.

Q. Was it explained to them?

A. It was thoroughly.

Q. The new Fund Association?

A. Yes, sir.

Q. And they thoroughly understood it as far as you could see?

A. Yes. I attempted always to make it clear, the exact condition of the organization.

10

The Vice-Chancellor: Do I understand counsel has withdrawn his objection to this line of examination?

Mr. Horner: I was waiting until he got to something that was really important.

Q. Now, after these visitations, did the members continue to pay their dues to the association?

20

Mr. Horner: I object.

The Vice-Chancellor: I sustain the objection. I do not think that the proof is competent to ratify a trust in favor of an individual. I am not expressing any view touching the necessity of consent upon the part of the cestui que trust to have his own money protected for his own benefit; that is not the question that I am now considering. I am now considering simply the question of proof on your part. It is perfectly obvious that this witness cannot establish the fact that the members of 190 different associations concurred in a plan of this kind.

30

Q. You went over the list in making up your calculations of the members, did you not?

A. Yes, sir.

Q. Do you know whether the members whom you calculated are now paying their dues to the Death Benefit Association?

Mr. Horner: Objected to as irrelevant, immaterial and incompetent.

The Vice-Chancellor: I think it is competent as far as it goes. I do not know whether it proves any-
10 thing or not.

Mr. Horner: Well, then, it is simply a waste of time.

The Vice-Chancellor: I think it is competent.

A. They are with the exception of some few in Mercer Circle who subsequently withdrew their money upon special request, eight or nine in Shickshinny Circle, one lady in a Home in Delaware, and one or two others, but they are very insignificant. They, of course, continued to pay dues then at the rate of 50 cents until September, 1914.
20

Q. And these names are now carried on the books of the Death Benefit Fund Association?

A. Yes, sir.

Cross-examination.

30 By Mr. Horner:

Q. Mr. Ruhl, do I understand you to say that you have been a bookkeeper and clerk in the office of the Supreme Circle, Brotherhood of America, from prior to March 1st, 1910, down to the present time?

A. Yes, sir.

Q. As such you have had——

Mr. Harned: I object to Mr. Horner examining this witness. He is here as a party, not as counsel.

The Vice-Chancellor: I guess you had better stick to it, Mr. Redrow.

By Mr. Redrow:

Q. Mr. Ruhl, did you make up a statement or calculation of all the excess dues paid to the Supreme Circle by any and all members from March 1st, 1910, clear down to date? 10

A. I did.

Q. And how much does that amount to?

A. Well, the refunds to members——

Q. How much does the total amount to?

A. I will have to foot it up for you. I haven't got that \$24,000 item clear in my mind, the exact figures, but it was \$24,000, that would make one hundred and five thousand. 20

By the Vice-Chancellor:

Q. That is \$24,695?

A. That is \$105,924.

By Mr. Redrow:

Q. How much? 30

A. \$105,924.

By the Vice-Chancellor:

Q. Without including interest?

A. Without including interest; yes, sir.

By Mr. Redrow:

Q. \$105,924, is that right?

A. Yes, sir. Now, in addition to that there was some money drawn since March 1st, 1910, from that fund, but that was subsequently repaid to the general fund.

Q. What I am asking you about is—I want to
10 know all the excess dues that were payable—

A. I couldn't give you that amount because I haven't got it totaled here.

Q. Just wait a minute. From March 1st, 1910, down to date I want to know the amount of all the dues paid in by each, every and all members of the fund, no matter what division they belonged to; down to date how much does it amount to—the total of excess dues, whether it has been refunded or not, what is the total amount that is due?

20 A. I think those figures would be \$105,924.

Q. And that is right, is it?

A. I think that is right, sir.

Q. So that the amount of refunded dues, or dues paid in from March 1st, 1910, to date, amounting to \$105,924, added to what interest was allowed, would make a total of \$113,595.15—is that right?

A. I think that is right.

Q. Now, is that all the excess dues that was paid
in by any member and all members?

30 A. I think so.

Q. From March 1st, 1910, to date?

A. I think so, sir.

Q. Well, are you sure of it?

A. I am reasonably sure of it, yes.

Q. You made this tabulation, did you not?

A. Yes.

Q. And you had charge of the books?

A. Yes.

Q. And your tabulation there shows that practically that is the amount returnable?

A. Yes.

Q. Is that right?

A. Yes.

Q. And that includes what you claim was twenty-four thousand some odd dollars which was returned—is that right?

10

A. Yes, sir.

GEORGE W. HEINECKE, one of the defendants, being duly sworn according to law, on his oath says:

By Mr. Harned:

Q. Where do you live, Mr. Heinecke? 20

A. 2417 Frankford Avenue, Philadelphia.

Q. You are one of the defendants in this suit?

A. I am.

Q. And one of the trustees of the Death Benefit Fund Association?

A. I am.

Q. Do you remember a meeting held in the office of the Supreme Circle?

A. I do.

Q. When was it? Do you remember? 30

A. In April, 1914.

Q. Who was there?

A. Well, the officers of the Supreme Circle, in addition to myself and my two colleagues.

Q. What was the meeting called for?

A. For the purpose of completing the affairs, effecting the Death Benefit Fund Association and transferring these securities.

Q. And did the officers have there Exhibit D3?

A. That appears to be it.

Q. And on the basis of that document the settlement was effected?

A. It was.

Q. And what was agreed upon?

A. In what way?

10 Q. You represented these various members—

Mr. Redrow: I think Mr. Harned is leading this witness.

The Vice-Chancellor: Mr. Harned asks all of his questions that way.

Mr. Harned: My question was too broad, he did not comprehend it.

20

Q. Was the subject discussed of the payment to these members?

A. It was.

Q. And what did you agree to do?

A. I agreed to act in the capacity of one of the trustees as custodian of this fund for them.

Q. And what did the trustees agree to do with the trustees of the Supreme Circle?

A. They assigned these here securities over to us.

30

Q. In payment of this sum?

A. Due the members of so-called Division 1.

Q. Was the subject of interest discussed?

A. It was.

Q. And finally what occurred?

A. Agreed on the amount.

Q. Do you remember what the amount was?

A. Seven thousand some odd dollars.

Q. After that was done did you get the securities?

A. I did.

Q. Where are they?

A. In the Industrial Title and Savings Company of Philadelphia.

Q. In the custody of yourself and your colleagues?

A. In my custody; yes, sir.

Cross-examination.

10

By Mr. Redrow:

Q. Mr. Heinecke, did you have any powers of attorney delivered to you at that time—previous to that?

A. Yes, quite a number.

Q. Where are they?

A. Here somewhere.

Q. How many were there?

20

A. Well, they were numerous.

Q. You didn't count them?

A. I didn't count them, no.

Q. Did you act on the authority of the powers of attorney or on the authority of the meeting?

A. On the authority of the powers of attorney that I was selected, see; if you will notice we are designated custodian by these individuals.

Mr. Horner: If your Honor please, the accountant 30 representing the receiver and also the bookkeeper of the Supreme Circle have gone over those alleged powers of attorney and they have agreed on this statement: That there appears to be powers of attorney apparently actually signed by 1744 names;

there appears to be those papers signed in typewriter by 5620 names, which at the bottom are signed by the Scroll Keeper and the seal of the lodge attached, but the names are in typewriting; there appears 1339 names in typewriter to which there is no seal of the local lodge attached, nor is there any attestation or handwriting by the Scroll Keeper or secretary; none appear to be witnessed. I think your Honor understands the different kinds now.

10 The Vice-Chancellor: How many are unattested in any form?

Mr. Horner: 1339.

The Vice-Chancellor: How many are signed?

Mr. Horner: Apparently actually signed, 1744.

The Vice-Chancellor: And attested by the lodge
20 is 5000?

Mr. Horner. 5620.

The Vice-Chancellor: And unattested by anything?

Mr. Horner: 1339. Mr. Harned, we are credibly informed that the majority of those typewritten papers were prepared in your office and written out
30 by your stenographer. Will you admit it or shall we subpoena your stenographer?

Mr. Harned: You had better subpoena her. I know nothing about it. Not one of these was written in my office; I will swear to it. We rest.

HOWARD CALLINGHAM, recalled.

By Mr. Redrow:

Q. Mr. Callingham, have you gone over the books and papers in the office?

A. Yes, sir.

Q. And also the books of the receiver? 10

A. Yes, sir.

Q. Did you ascertain the amount of excess dues paid by all the members after any time from March 1st, 1910, up to date?

A. Yes, sir.

Q. How much did that amount to?

A. You mean excess dues payable?

Q. No, paid by the members into the Supreme Circle, the entire amount paid by any and all members?

A. If I understand you rightly, you want me to tell you how much has been paid in by the members in the Supreme Circle from March 1st, 1910, to date; that is, September 14th, 1915? 20

Q. Yes. To explain that more fully I would say in excess of 50 cents a month.

A. I got my figures from the rate books, which is the official records of the Supreme Circle, and I find from March 1st, 1910, to September 14th, exclusive of interest, \$128,925.39.

Q. How much was returnable in March, 1913? 30

A. The total excess dues, according to the rate books, I find to be \$101,323.77.

Q. Did you make an examination of the vouchers, Mr. Callingham?

A. Which vouchers?

Q. Of the reserve fund?

A. Yes, sir; I did.

Q. How much of these dues did you find had been returned?

A. I find has been returned out of the reserve fund \$100,549.98.

Q. Are these vouchers which you are shown now the vouchers which show that that has been returned?

A. Yes, sir.

10

Mr. Redrow: I will offer them in evidence. They have already been identified by Mr. Walter.

(Said papers marked Exhibit C12.)

By the Vice-Chancellor:

Q. You spoke of how much has been returned out of the reserve fund. Can you tell how much has been returned from any source?

20

A. I find vouchers for \$24,695.82, Division No. 2. I have been unable to find further vouchers.

Q. Well, can you tell me the total amount that has been returned to members, no matter from what source or from what fund? I want to know how much has been returned to members as excess dues paid by them. You stated how much had been paid in by them as excess dues. Now, how much has been paid back to them?

30 A. I find \$24,000—

By Mr. Redrow:

Q. Will these vouchers show it?

A. They show the amount paid over to the Death Benefit Fund.

Q. And how much do these show?

The Vice-Chancellor: Won't you let him answer my question?

By the Vice-Chancellor:

Q. (Repeated) Well, can you tell me the total amount that has been returned to members, no matter from what source or from what fund? I want to know how much has been returned to members as excess dues paid by them. You stated how much had been paid in by them as excess dues. Now, how much has been paid back to them? 10

A. I find paid back to them from reserve fund \$100,000.

Q. I don't care where it came from. How much has been paid back to them all together?

A. \$100,549.98.

Q. \$100,000 paid back and they paid in \$101,000 in excess—are those your figures? 20

A. Yes, sir.

Q. And according to your figures there is \$1000 due them yet if all excess dues are to be paid back?

A. Yes, sir; that is on grades 4, 5 and 6, the refund, the difference.

Q. As you have made it there is yet something coming to the members if they are entitled to a refund of all excess dues?

A. Yes, sir.

Q. This payment which you refer to of \$100,000 includes the \$88,000 paid by mortgage? 30

A. I don't know where they get the \$88,000, your Honor.

Q. Well, it includes the mortgages turned over?

A. I can't answer that question. I don't know

where they get the \$88,000. I can't answer that question.

Q. Well, does it include the mortgages that were assigned?

A. No, sir.

Q. It does not?

A. No, sir.

Q. Well, then, if it does not include the mortgages that were assigned, which mortgages were assigned to the amount of \$81,000, there has been
10 paid \$181,000?

A. Why, it would look that way; yes, sir.

By Mr. Redrow:

Q. Mr. Callingham, do these vouchers show that \$100,000, the amount of the excess—I did not get the exact figures—was paid by the Supreme Circle out of the reserve fund to these several Circles item-
20 ized on here?

A. Yes, sir; they do.

Cross-examination.

By Mr. Harned:

Q. And who do they show it was paid to?

A. Shows it went through bank.

30 Q. I asked to whom it was paid.

By Mr. Redrow:

Q. Who are they drawn to?

A. George W. Dannenhauer, Supreme Treasurer.

By Mr. Harned:

Q. Then these are vouchers of money paid out of the fund, paid to him into the other fund?

A. Yes, sir.

By the Vice-Chancellor:

Q. Why do you say that they are for excess dues?

A. Because they are, sir.

Q. What is there that indicates that they are for 10 excess dues? Does it say so on their face?

A. Here is one for excess payments.

Q. These two, No. 16 and 60, are for refund. Are they all? That is, on their face it says refund.

A. Yes, sir.

Mr. Horner: It might be said that they are ones that were identified by Mr. Walter.

A. (Continuing) They are all for excess payments, 20 your Honor.

Q. And these aggregate how much?

A. \$100,549.98.

Mr. Harned: These seem to be a transfer from one branch of the organization to the other.

The Vice-Chancellor: It says on their face a refund of excess payment.

Mr. Harned: That is right, but it don't say it is paid over to the person who ought to receive it. Somewhere there is a check to the Circle showing the amount that was paid. It shows that the treasurer of the Supreme Circle got this for the purpose

of paying it over. This is simply a voucher of the trustees, drawn on the reserve fund, given to their own treasurer, and the voucher shows what it was given to him for, but it don't show that he paid it. Now, I am free to confess to the Court that I do not myself understand this at the present time.

The Vice-Chancellor: These show that this money went into the hands of the Supreme Treasurer as excess payment to the members.

10

Mr. Harned: That is right, but it don't show he paid it out.

The Vice-Chancellor: What the treasurer did with it of course this does not show.

Mr. Harned: It still remains in the treasurer's hands.

20 The Vice-Chancellor: Where is the treasurer?

Mr. Harned: He is here.

The Vice-Chancellor: While we are on that, hadn't we better get this thing straightened out? Is Mr. Dannenhauer here?

30 Mr. Harned: He wouldn't know anything about it. It is a matter of accounting. The bookkeeper will know about it.

The Vice-Chancellor: Let the bookkeeper be recalled. I want to understand about these vouchers. There is no use of my sitting here and puzzling over conflicts if they can be explained. Where is your bookkeeper?

Mr. Harned: He is right here. They cannot be explained in a minute. It has got to be worked out. We have not had any control of these until this minute.

Mr. Redrow: I offer to introduce here at this time the reserve fund bank book, the pass-book of the Industrial Trust, Title and Savings Company of Philadelphia, in account with the reserve fund, Death Benefit Fund, Brotherhood of America.

By Mr. Redrow:

10

Q. Mr. Callingham, have you been over this pass-book?

A. I have, sir.

Q. Does that pass-book show that the vouchers which you are looking at now, and which pay out a hundred thousand dollars and a few odd cents, were paid out of the reserve fund deposited in this bank?

20

A. Yes, sir.

Q. This pass-book shows that these vouchers were paid out of the reserve fund?

A. Yes, sir.

By the Vice-Chancellor:

Q. Did you find anything that shows or indicates where the money went to or for what purpose it was used?

30

A. Yes, sir; to the Supreme Treasurer, George W. Dannenhauer, to pay excess dues.

Q. Well, is there anything to show that the excess dues were paid with it by Dannenhauer?

A. Only the amount of \$24,000, that is all the vouchers I could find.

Q. What kind of vouchers were they?

A. Death Benefit Fund vouchers.

Q. Where are they?

(Papers produced and handed to Vice-Chancellor.)

Q. These are just like the others?

A. The only difference is Death Benefit Fund and the other is reserve fund.

Q. The others are \$105,000 in the aggregate, are
10 they?

A. Yes, sir.

Q. And these are what?

A. \$24,695.

Q. Give it to me accurately.

A. The twenty-four thousand is included in the one hundred thousand dollars.

Q. These are \$24,695.82?

A. Yes.

Q. Now, what are the other vouchers?

20 A. The other vouchers amount to the difference of \$105,549.98.

Q. What is the difference?

A. \$75,754.16.

Q. And the two together make \$105,000 and how much?

A. \$105,549.98.

Q. But now, you have not answered my question yet. These vouchers, aggregating \$75,000, show that the money went to the treasurer?

30 A. Yes, sir.

Q. The vouchers, aggregating \$24,000, show that the money went to various Homes or branches?

A. Yes, sir.

Q. Now, what I want to know is, have you found anything that shows what the treasurer did with the \$75,754.16?

A. I haven't been able to find any vouchers for that, your Honor.

Q. Well, don't the treasurer's book show what he did with it?

A. No, sir.

By Mr. Redrow:

Q. Did you have the treasurer's book?

A. I didn't have the treasurer's book, I had the bank book.

Q. Mr. Callingham, when do I understand all these vouchers were made? 10

A. In the year 1913.

Q. Prior to January 1st, 1914?

A. Yes, sir.

Q. I show you the journal of 1914 and ask you to state whether or not, after these vouchers had been paid out of the reserve fund amounting to approximately \$100,000, the statement of the Supreme Circle shows that these securities still belong to the reserve fund? 20

The Vice-Chancellor: There are no vouchers out of the reserve fund amounting to any such amount; they are for \$75,754.16.

Mr. Redrow: As I understand the testimony, these vouchers show a payment of \$100,000.

The Vice-Chancellor: The vouchers from the reserve fund, which have been identified specifically by Judge Horner, amount to \$75,754.16 and are all to the order of the treasurer, and there is not a word of testimony so far to show what the treasurer ever did with the money. It is indicated on the face of 30

the voucher that it had something to do with excess dues. There are vouchers on the Death Benefit Fund—now, notice the difference—amounting to \$24,695.82, which are not drawn in favor of the treasurer at all, but are drawn in favor of individual Circles, and the two classes of vouchers added together make \$105,549.98, which the witness has referred to as being the money paid out in vouchers for excess dues.

10 By the Vice-Chancellor:

Q. Now, is that correct?

A. Yes, sir.

Mr. Redrow: I understand that, Vice-Chancellor. My question was that these vouchers were all drawn——

The Vice-Chancellor: Just read the question. You will see the error in it.

20

(Question repeated.)

The Vice-Chancellor: There is not \$100,000, but \$75,000, paid out of the reserve fund to the treasurer, and there is \$24,000 paid out of the Death Benefit Fund to the Circles.

The Witness: Your Honor, that \$24,000 paid out of the Death Benefit Fund came out of the reserve
30 fund first.

The Vice-Chancellor: That is something more we did not know.

The Witness: The \$24,000 came out of the reserve fund first.

Q. Where is the voucher for that?

A. Why, they are all embodied—the sum of these, your Honor, amount to \$100,000.

Q. Which are these you have in your hand now?

A. The reserve fund vouchers; out of these he only paid \$24,000.

Q. Only a moment ago you told me the aggregate of these was the difference between \$100,000 and \$24,000?

A. You misunderstood me. I said the unpaid balance was \$75,000.

10

Q. Let the record show that my former statement is not correct, and I want to see if this is correct, that these vouchers which have been identified, which are payable to the treasurer, Mr. Dannenhauer, aggregate \$105,549.98?

A. That is correct.

Q. Is that right?

A. That is right.

Q. Well, then, Mr. Redrow's question is right. Now, you say that there is in addition to that vouchers payable out of the Death Benefit Fund amounting to \$24,695.82 to various Circles?

20

A. Not in addition, but the \$24,000 was paid out of the \$100,000 that was turned over to the Supreme Treasurer. In other words, he received \$100,000, he only paid \$24,000 out of it.

Q. Then there is \$75,000 still in his hands?

A. I presume so. I can't say whether there is or not. The published journal says it is paid.

30

The Vice-Chancellor: Well, then, perhaps your question is all right. Will you ask it again?

By Mr. Redrow:

Q. As I understand, the reserve fund vouchers

which have been offered in evidence show amounts paid out to the treasurer of \$100,000?

A. Yes.

Q. And that the dates of those vouchers was April to December 31st, 1913?

A. Yes, sir.

Q. And that this pass-book of the Industrial Trust, Title and Savings Company, which has been offered in evidence, shows that they were paid out of the reserve fund deposits in that bank?

10 A. Yes, sir.

Q. All these vouchers appear to have been paid by the Industrial Company out of the bank deposit?

A. 1913; yes, sir.

Q. Out of the reserve fund?

A. Yes, sir; \$100,549.98.

Q. Now, does the minutes of 1914 show that these mortgages upon which we are suing today, or Judge Horner is suing to recover—are they still set out in that report or in those minutes as a part of the
20 reserve fund?

A. Yes, sir.

Q. They are?

A. Yes, sir.

Q. What page?

A. Pages 18 and 19.

Q. I beg pardon.

A. 18 and 19.

The Vice-Chancellor: After the date of the as-
30 signment of the mortgages?

Mr. Redrow: No.

The Vice-Chancellor: What was the date of the assignment of the mortgage?

Mr. Redrow: Yes, after the date of the assignment of the mortgage, a month after that.

The Vice-Chancellor: Are these listed as assets after the date of the assignment of the mortgage?

Mr. Redrow: Yes.

Mr. Harned: It isn't true.

Mr. Redrow: I understand so, that is what is in there; it is dated May 15th; and, more particularly, Vice-Chancellor, I want to call your attention to the fact that it was after these vouchers had been paid by the bank. 10

The Vice-Chancellor: I am asking now about the assignment.

Mr. Harned: The assignment was made the 6th of April. Previous to that time the trustees made a report as of the first day of January, that is required by all the States, and they made up their report at that time, reporting they still had these mortgages. In April they assigned them. In May they made an additional report, saying what had happened between the first day of January and the time they made their additional report, and the additional report does not show that they owned the mortgages. That is what the record shows. 20

By the Vice-Chancellor: 30

Q. As I understand this witness, this bundle of vouchers, aggregating \$105,000, indicates this amount has been paid to the treasurer for some purpose or other in connection with the over-plus dues?

A. \$100,000, not \$105,000.

Q. Well, I will give it up. I get it different every time. Then these aggregate an even \$100,000?

A. \$100,549.98.

Q. These, I understand, do indicate that there has been paid to the treasurer for some purpose or other in connection with the refund of dues this \$100,000?

A. Yes, sir.

Q. And the only indication anywhere on the books, as I understand you, of money that the treasurer has disposed of for any such purpose is \$24,695, and that is paid out of the Death Benefit Fund—is that right?

A. Paid out of that \$100,000.

Mr. Harned: I think I can explain those transfers.

Q. Why do you say it is paid out of the \$100,000 when the \$24,000 orders are on the Death Benefit Fund?

20 A. They were paid out of the Death Benefit Fund.

Q. The orders for the \$24,000 are on the Death Benefit Fund, aren't they?

A. Out of the Death Benefit Fund; yes, sir.

Q. Well, to be paid out of it?

A. Yes, sir.

Q. Well, what makes you think this money ever went into the Death Benefit Fund, this money amounting to \$100,000? It is too much for me. I do not understand the contention of anybody.

30

Mr. Harned: I would suggest to the Court that we adjourn it to some other day and get it straightened out; I do not think we can do it today. This is my explanation: That all of the moneys that were received for excess dues from all the members were

transferred by these orders to the treasurer and used by him to pay death benefits. That is how we held the mortgages. If he hasn't had this transfer he would have had no moneys to pay and he used the excess moneys in paying the losses which were represented by these orders. Afterwards he pays to the different Circles that are entitled to receive this money the \$24,000, which they have checks for; the mortgages he assigns to the other people and thereby squares his account.

By Mr. Harned:

10

Q. How much did you say you found the excess dues to be in all?

A. To what date?

Q. In all, up to the present time.

A. You mean up to today?

Q. Yes.

A. Up to today?

Q. Yes.

A. I didn't figure up to today.

20

Q. Well, up to the time that the Supreme Circle disbanded, then.

A. What date do you mean, Mr. Harned?

By the Vice-Chancellor:

Q. Up to the time the mortgages were transferred and the settlement was made.

A. Mention some date so I can talk intelligently to you.

30

By Mr. Harned:

Q. From the first day of March, 1910, up to the 3d day of September, 1914.

A. I find \$128,925.39.

By the Vice-Chancellor:

Q. That was actually paid in, you mean?

A. According to the rate book.

Q. Well, don't mix me up uselessly. Do you mean that they received the money or that is what they would have received if they had got everything that was due?

10 A. That is what they received, that was due and they practically received nearly all of it except the few delinquents as shown by their books.

Q. Why didn't you deduct the delinquents?

A. That was a voluminous task. I couldn't get it done today. It don't amount to much anyway.

By Mr. Harned:

Q. Do you know what they did receive?

20 A. Do I know what they did receive?

Q. Yes.

A. I haven't computed that, but I do know this—

Q. Never mind, then, if you don't know, say so. You haven't computed what they did receive?

A. No, but I know it is very near that because I compared the dues with the monthly receipts.

Q. And this is the amount that they should have received if they had collected everything?

30 A. That is right.

Q. In what way did you make up your statement?

A. In what way?

Q. Explain to the Court how you arrived—

A. Arrived at these figures?

Q. Yes.

A. I took the original records, called the rate book, and grades 4, 5 and 6, class A, anything over 50 cents. In class 4 was an excess of 10 cents; in class 5 was an excess of 25 cents, and grade 6 was an excess of 40 cents. I compiled each month the number of members in each fund, as well in class B, the difference in rate, which amounted to one-half.

Q. Then the figures you give are the amount that the rate book shows should have been received?

A. Yes, sir.

Q. Did you make any allowance for Circles that 10 did not pay according to the rate, paid according to the old classification?

A. As I told his Honor, the delinquency was so few I didn't take that into account.

Q. You don't know how many there were?

A. There wasn't many.

Q. You don't know how many?

A. No, but judging from dollars and cents there wasn't many.

Q. If there was a few would it have been easy to 20 have calculated it?

A. When you go over about 5000 sheets I guess it would be, yes.

Q. In order to ascertain how many didn't pay you would have to go over at least 5000 sheets?

A. Go over every sheet.

Q. Then you stated the full amount that they ought to have collected and not explaining what they did not collect?

A. I stated it that way, I will also tell you this— 30

Q. Have you been over the treasurer's book to find out how much was refunded?

A. I never saw any treasurer's book.

Q. Have you been over the treasurer's vouchers?

A. The treasurer's vouchers?

Q. Yes.

A. Do you mean the Death Benefit Fund vouchers?

Q. No, the treasurer's vouchers.

A. Never saw any of his vouchers.

Q. You don't know, then, how much money was refunded to the different Circles?

A. In what grade of the fund?

Q. From the Supreme Circle for excess dues.

A. In what fund?

Q. Any fund.

10 A. I found vouchers for \$24,695.82.

Q. And that is the amount that you find that was refunded?

A. Yes.

Q. But you did not find any other refunded?

A. No.

The Vice-Chancellor: I do not understand that there is any other claimed excepting the mortgage.

20 Mr. Harned: Well, I do not think so either.

The Vice-Chancellor: But I do not understand this \$100,000 to the treasurer.

Mr. Harned: Well, we can explain it, I think. It is a complicated matter, it is a matter of bookkeeping and it is a complication of their own and will have to be explained.

30 Mr. Redrow: I would like to have this old pass-book of the Industrial Title and Trust Company specifically marked.

(Said book marked Exhibit C13.)

Mr. Redrow: The complainant will rest on the

introduction of the papers of the Park second case, particularly calling attention to the opinion of your Honor filed on March 18th, 1914, the final decree entered in the cause bearing date April 11th, 1914, which restrained the defendant from enforcing the amended by-laws referred to in such manner as to exempt the moneys in the death benefit and reserve fund of the defendant from liability under complainant's contract, in the manner specified in such amendment; notice of appeal to the Court of Errors and Appeals, dated April 21st, 1914; the order to stay the issue of an execution, dated April 13th, 1914, together with the order dismissing appeal, bearing date November 18th, 1914, and the writ of injunction, bearing date December 7th, 1914, and exhibits marked for identification. 10

The Vice-Chancellor: Anything further, Mr. Harned?

Mr. Harned: I would like time to explain to the Court intelligently. 20

The Vice-Chancellor: You may have the opportunity now.

Mr. Harned: I will do the best I can, but I do not think he can explain it intelligently at this time.

HENRY B. WALTER, recalled.

30

By Mr. Harned:

Q. I show you a bundle of vouchers marked Exhibit C12 for identification—

The Vice-Chancellor: Are these in favor of Dannenhauer?

Q. Yes—can you explain to the Court what those vouchers were?

A. Yes, sir; these vouchers represent the excess dues paid in by the members of different Circles and Homes, so designated so that we could tell who the money really belonged to, and the money was paid over to the treasurer and put in the Death Benefit Fund, which you will find on page 54 of the journal of 1914, "Death Benefit Fund. Receipts paid over to the Treasurer." Money, that is. "Transferred from Reserve Fund, \$103,330.64."

By the Vice-Chancellor:

Q. Well, now, this amount of \$100,549.98—

A. Well, they are not correct, this is correct; that is what we claim we drew in his favor and paid over to him.

By Mr. Harned:

Q. Now, what was that money used for?

A. Excess dues of members admitted prior to March 1st, 1910, and paid into Division No. 1, \$61,929.05; excess dues of members admitted since March 1st, 1910, paid into the funds of Division No. 1, \$1,053.85; excess dues returned to members of Division No. 2, \$24,695.

Q. Hold up, now, stop there. Now, these vouchers show the money having been paid to the treasurer. What did the treasurer do with it?

A. Deposited it in the bank in the name of Division No. 1.

Mr. Redrow: I object.

Q. What became of it?

Mr. Redrow: Just a minute. How does he know what the treasurer did with it? The treasurer is here; let him explain.

A. Paid the claims.

By the Vice-Chancellor:

10

Q. Well, what do you know about what the treasurer did with it? What is the source of your information? Are you stating what you think the treasurer ought to have done with it, or do you know what in fact he did do with it?

A. Yes, paid it into the fund.

By Mr. Harned:

Q. Paid into the fund for what purpose?

20

A. For the purpose of paying claims and the necessary expenses of the organization.

Q. Death benefit claims?

A. Yes, sir.

Q. Mr. Walter, where are the treasurer's vouchers?

A. Treasurer's?

Q. Yes.

A. Why, Mr. Horner has got them.

Q. Did you give them to him?

30

A. The treasurer give them to me and I sent them to Mr. Horner, all his books and vouchers and everything else. There is the vouchers (indicating).

Q. The vouchers with which he paid losses, by which he returned this money?

A. When for claims the vouchers for claims are placed with the claims after they are returned from the bank.

Q. Now, how did the treasurer disburse this money?

Mr. Redrow: I object.

The Vice-Chancellor: You may state if you know, but give the source of information. Understand, you
10 are not to state what you think the treasurer ought to have done but state, if you know, what the treasurer did with it.

Q. What was the method of distributing it?

Mr. Redrow: I object to that, what was the method—what was done with it.

The Vice-Chancellor: State what you know about
20 it.

A. The trustees met twice a month and approved claims, once a month they approved bills; vouchers are drawn for the various amounts due the beneficiaries and due for bills contracted; they are signed by at least—generally the three trustees, Supreme Washington, Supreme Treasurer and Supreme Scroll Keeper, and they cannot be paid unless four of those signatures sign them.

30 Q. And this money was distributed by these people?

A. By these people, yes, sir.

Q. Now, where are these vouchers?

A. Where are these vouchers?

Q. Yes.

A. The greatest number of them are with the claims which are now in the office, the greatest number, and I think all the rest are there.

Q. You mean in that big chest?

A. Yes.

Mr. Harned: Well, I tendered that big chest of claims and vouchers to the other side and asked them to take it away but it still lays there.

10

Mr. Redrow: That is news to us.

The Vice-Chancellor: Well, they are not very interesting to me where they are.

Mr. Harned: There they are. I have asked them to take it away. I have asked their expert, who has been through it two or three times, to take it away. It is still there.

20

Cross-examination.

By Mr. Redrow:

Q. Mr. Walter, you obtained that figure of \$103,330.64 from page 54 of the journal of 1914, did you not?

A. Yes, sir.

Q. Now, at the top of page 55 is shown the expenditures of the reserve fund, is it not, or of the Death Benefit Fund?

A. It shows an apparent expenditure but it was not.

Q. Well, what do you mean by an expenditure that was not an expenditure?

A. When it was only transferred from one fund to another.

Q. Well, doesn't that book show on page 54 the amount of receipts of the Death Benefit Fund?

A. Yes, sir.

Q. And doesn't it, beginning halfway down the page, show the amount of expenditures of that fund?

A. Yes, sir.

Q. And continues down the next page?

A. Yes, sir.

10 Q. And aren't there three items on the next page, the top of page 55, the first, "Excess dues of members admitted prior to March 1st, 1910, and paid into the funds of Division No. 1, \$61,929.05"?

A. Yes, sir; but the Supreme Circle had that money and—

Q. Well, don't the total of the excess dues which you have set forth there in the Death Fund total up the amount transferred from reserve fund?

A. Does it?

20 Q. Yes.

A. No, sir.

Q. Well, how much difference is there?

A. I didn't count it up. Why, there is only \$76,000, those three items there is \$76,000.

Q. \$75,764.15—is that what they come to?

A. The three items?

Q. Yes.

A. Comes to \$87,678.72, those three items there.

Q. What did you make the total, Mr. Walter?

30 A. \$87,678.72.

Q. Does that include the item of \$301.49?

A. No, sir; it does not; that was returned to members other than Division 1 or 2.

Q. The figures which you just gave, together with \$13,925.11, being the returned excess dues of mem-

bers admitted since March 1st, 1910, would make up your total excess dues, would it not?

A. This here gives the excess dues up to the 31st of December, 1913; then we received excess dues in 1914, which you will find in the journal, 1915, and then that made paid that way by the treasurer—he paid \$128,649.65 for claims.

Mr. Redrow: Following out what Mr. Walter said, I would like to offer in evidence pages 54 and 55 of the journal of 1914, showing how this account was 10 made up and how it was spent.

BOTH SIDES REST.

(At this point the hearing was adjourned until Wednesday, September 15th, 1915, 9.00 o'clock A. M., for argument.)

Hearing resumed on Wednesday, September 15th, 20 1915, at 9.00 o'clock A. M., in the presence of the respective counsel heretofore noted.

Mr. Harned: It seems to be agreed that Exhibit C12 checks up with Exhibit D3 with the exception that there is one voucher of \$300 more in Exhibit C12.

The Vice-Chancellor: Which is C12?

30

Mr. Horner: These several vouchers showing money taken from the reserve fund.

Mr. Harned: And that the total amount of the vouchers is \$100,549.98.

The Vice-Chancellor: And that is \$300 more than appears on this paper?

Mr. Harned: That is right.

Mr. Horner: Yes; that is right.

10 The Vice-Chancellor: Now, if a doubt remains in my mind at the conclusion of the argument touching the amount that should have been paid on the theory it was paid, on that question it should go to a Master, if there is no necessity of that there will be no necessity of a Master.

Mr. Horner: I think, in all fairness, that the figures stated by Mr. Ruhl on the stand are accurate.

20 The Vice-Chancellor: If that is conceded it is all right on that point, then; if it is conceded that the amount returned was the correct amount that should have been returned on the theory it was returned then there need be no discussion of that.

Mr. Horner: I think the accountants are really right.

The Vice-Chancellor: Then we will assume that the accounts are right on the theory upon which they are stated. Of course, I will hear counsel on the subject of interest.

Resumed before his Honor, E. B. LEAMING, Vice-Chancellor, at the Chancery Chambers, Camden, New Jersey, on Monday, October 11th, 1915.

APPEARANCES:

OSCAR B. REDROW, Esq., for complainant;
JOHN F. HARNED, Esq., for defendants.

10

HENRY B. WALTER, recalled.

By Mr. Harned:

Q. Have you made a calculation of the interest since the last meeting of this court?

A. Yes, sir.

Q. Showing the amounts and dates?

A. Yes, sir.

20

Q. Will you testify from that paper what you find?

A. We discovered that we were entitled, as we believed, to \$8,800.23.

Q. From what date?

The Vice-Chancellor: Let me understand, Mr. Harned. Is the question that you are asking him now as to how the interest that was charged before was made up, or is this some new evidence?

30

Mr. Harned: This is some new calculation he has made up. The evidence is all here. The evidence shows it was a matter of compromise; there wasn't any complete method of making it up.

Mr. Redrow: I do not think that is relevant. The only question that was left open was whether or not the calculation of this interest determined at that time was right or whether it was wrong.

The Vice-Chancellor: Yes. Well, let me be apprised of the facts. You say the other was not based upon an actual calculation, Mr. Harned?

Mr. Harned: Well, a half dozen made calculations and as a compromise they agreed upon these
10 figures.

The Vice-Chancellor: Hadn't he better testify to those facts?

Mr. Harned: That is already in, we have the proof here, that is already written up, that is in here and the proof is here written up.

20 The Vice-Chancellor: Well, then, you concede at this time that the other was not correct, that is, it was not based upon anything but a compromise?

Mr. Harned: That is all; and evidently in the other calculation he made a mistake of a year in his time of calculation, not a year's interest but the time of starting the calculation.

30 The Vice-Chancellor: Well, now, state what your present calculation is, then.

Q. What is your present calculation?

A. The interest on \$39,151.52 from March 1st, 1910, to January 22nd, 1912, is \$1,854.33.

Q. Now, what is the next item?

A. Now, from January 22d, 1912, on \$39,151.52, to April 22d, 1914, at five per cent., \$4,404.52. The collections from January 22d, 1912, to April 22d, 1913, amounted to \$23,831.38; interest at two and a half per cent., \$595.78. Interest on \$23,831.38, from January 22d, 1913, to April 22d, 1914, at five per cent., \$1,489.45. Collected from April 22d, 1913, to April 22d, 1914, \$18,246.10, at two and a half per cent., \$456.15.

By the Vice-Chancellor: 10

Q. What is two and a half per cent.? A half year, do you mean?

A. A half year or half time—the whole time, it is half interest.

Q. I see what you mean. You take the total amount of collections during the year and figure interest on half of the amount at five per cent.?

A. Yes, sir.

By Mr. Harned: 20

Q. Is that all?

A. That is all.

By the Vice-Chancellor:

Q. Well, what is the result of all that?

Mr. Harned: What is the result of that? 30

Q. That is, what you now claim should be allowed by way of interest?

A. Yes, sir.

Q. That amounts to how much interest?

A. \$8,800.23.

Q. Well, that is more, isn't it?

A. That is more than originally, yes sir.

Mr. Harned: Considerably more.

By Mr. Harned:

Q. What rate of interest do these mortgages bear?

10 The Vice-Chancellor: That already appears—
five per cent., doesn't it?

A. There are some few of them pays more. There
is \$62,800 at five per cent.; \$14,000 at five and a
half per cent.; \$13,000 at five and four-tenths.

Cross-examination.

By Mr. Redrow:

20

Q. Mr. Walter, on March 31st, 1912, did you have
\$39,151.52? Where did you get that amount?

A. No, sir; we had that amount on January 22d,
1912.

Q. So that instead of having \$62,000, as you testi-
fied to before, you only had \$39,000—is that right?

A. I don't think I ever testified we had \$62,000 at
that time.

Q. All right.

30

A. I don't remember.

Q. Now, is all this interest calculated at five per
cent.?

A. At the rate of five per cent.

Q. Yes.

A. Some of it is two and a half, of course.

Q. Well, that is——

A. On the five per cent. basis.

Q. For six months?

A. Yes, sir.

Q. Do you know whether or not that by figuring at two and a half per cent, it is the correct figuring for a year's interest, or for six months' interest?

A. I believe that a thousand dollars collected monthly for a period of one year would earn interest at two and a half per cent.

10

Q. The rate being five per cent.?

A. The rate being five per cent.

Q. You are quite sure of that?

A. I believe that, yes. I figured that way a good many years.

Q. Now, Mr. Walter, when you and your trustees were together, sometime in April, 1914, didn't you have some argument or some consultation about the amount of interest that should be allowed?

A. Yes, sir; there was a consultation.

20

Q. Now, in your testimony didn't you testify that the amount claimed by the trustees from the Supreme Circle and from you was \$7,735.45?

A. I think it was \$7,690, isn't it?

Q. I say, the amount claimed was \$7,735.45 and that the amount allowed the trustees was \$7,670.33—didn't you testify to that?

A. That was the amount allowed, \$7,690, I think.

Q. But the amount claimed was \$7,735.45, was it not?

30

A. Yes; that was made up in a hurry, right there in the meeting.

Q. Now, then, in your testimony concerning this transaction did you not say that the trustees claimed interest from February 1st, 1912, to December 31st, 1913, eleven months, on that account?

A. I don't remember. If it is there I did.

Q. Well, you at this settlement represented the Circle, the Supreme Circle, did you not?

A. Not necessarily so, no, sir.

Q. Well, did you represent the trustees at that time?

A. Not necessarily so, I was only one.

Q. But you were present?

A. I was present.

Q. And the trustees at that time demanded interest on this money from February 1st, 1912, did they not?

A. Well, some of them demanded it from the first of March, 1910.

Q. Well, didn't they all demand it, according to this settlement which was made, from February 1st, 1912?

A. Well, I can't give you the exact date, I don't remember.

Q. But that is what you testified to at the previous hearing, is it not?

A. If it is there I did.

Q. And when did you prepare this statement?

A. This one (indicating)?

Q. Yes.

A. Five or six days ago.

Q. Did you prepare it personally, yourself?

A. I did.

Q. How did you arrive at the amount \$39,151.52?

A. All our books, papers and vouchers are in the hands of the receiver and I couldn't get the monthly receipts.

Q. I see.

A. I took the \$62,982.90 and divided it by 37 months and that give me an average monthly receipt of \$1,702.24.

Q. Where did you get the 37 months?

A. The 37 months was from March 1st, 1910, until the 22d of April, 1914.

Q. And that was the amount of dues, \$62,982.90?

A. That was received up to that date, yes; and then from the 1st of March, 1910, until the 22d of April, 1912, was, I think, 23 months, and I multiplied the \$1,702.24 by that and got my \$39,151.52.

Q. And that was the amount of dues returnable at what time—January 22d, 1912?

A. No, \$39,000 was.

10

Q. Yes, \$39,000, January 22d, 1912?

A. Yes.

Q. According to the way you figured it?

A. Yes, sir.

Q. Now, referring to your testimony in this matter, don't you recall particularly testifying that there was some dispute between the trustees and yourselves representing the Supreme Circle, and that was finally adjusted by having the interest calculated from February 1st, 1912?

20

A. I don't remember.

Q. You don't recall whether you testified to that or not?

A. No.

Q. I understand you now to say you figured personally this interest out all yourself?

A. I did.

Q. And there was no such item or no such demand as \$8,800 made at the time of this meeting between the trustees and yourselves, was there?

30

A. No, the demand is—

Q. That is all.

Mr. Harned: That is all I want to offer.

HOWARD CALLINGHAM, recalled.

By Mr. Redrow:

Q. Mr. Callingham, have you made any calculations to ascertain the amount due on January 22d, 1912, for excess dues?

A. I have.

Q. And you have had the books of the Supreme
10 Circle at your disposal?

A. I did.

Q. And what did you find the dues were on January 22d, 1912?

A. \$37,958.28.

By the Vice-Chancellor:

Q. Why, January 22d? The testimony before was related to the 31st, wasn't it?

20 A. That is where I figured from.

By Mr. Redrow:

Q. Well, say January 31st?

A. Yes, sir; \$37,958.28.

The Vice-Chancellor: Are there any claims to the contrary of this? I cannot remember these figures. Is this different from what has been testified
30 to?

Mr. Harned: Yes; our figures seem to make it \$39,000.

Mr. Redrow: Mr. Walter shows how he got that,

by dividing, I understand. Mr. Callingham testifies he took it from the books showing the amount of excess dues that was paid.

The Vice-Chancellor: One is the actual, the other is the estimated?

The Witness: Yes, sir.

By the Vice-Chancellor:

Q. You are following the line of his testimony? 10

A. Your Honor, Mr. Walter testified he estimated it; I figured it according to the books; he had no books to figure from.

Q. I understand.

By Mr. Redrow:

Q. And you found that amount to be \$37,958.28?

A. Yes, sir. 20

Q. Did you also calculate the interest on that amount, together with the interest on the excess dues paid since that time, up until the assignment was made?

A. Yes, sir.

Q. And how did you calculate it?

A. On a monthly basis.

Q. In other words, you took the \$37,958.28 as a principal and added to that each of the monthly receipts? 30

A. Each month's excess; yes, sir.

Q. And calculated the interest on that amount monthly?

A. Yes, sir.

Q. And at what rate?

A. Five per cent.

Q. And what was the total amount of interest that was due on that amount from January, say, 31st, 1912, up until the date of the transfer?

A. \$6,544.18.

Q. And that includes all the interest on that amount down to the time of the transfer?

A. Yes, sir.

Cross-examination.

10

By Mr. Harned:

Q. In making your calculation of the amount due on the 22d of January, 1912, did you make use of Exhibit D3?

A. I didn't make any calculation to January 22d, 1912.

The Vice-Chancellor: 31st.

20

Q. Well, make it the 31st, then.

A. I did not, sir.

Q. What method did you pursue in making up these figures?

A. I went straight to the books of original record. First, I ascertained what the total amount was received, taking that at the schedule rate, taking it from the cash book as well as the ledger. Then, I ascertained from the rate book the membership monthly, your Honor, and figured out what it should have been at the flat rate of 50 cents, except in grades 1 and 2, which I took at 40 and 45, and I deducted from that the delinquents charged off and added back to it the amount of delinquents which were recovered; and deducting that amount from the amount

30

received would give the excess received accurately, and added that to the monthly balance and figured interest accordingly.

By the Vice-Chancellor:

Q. Well, then, did you find this tabulated exhibit erroneous?

A. That don't fit in at all, your Honor.

Q. How do you mean?

A. That tabulated statement you have got there 10 is figured to March 31st, 1914.

Mr. Redrow: I think I can explain that in a few words. This Exhibit D3 and the testimony which I got this morning shows that this Exhibit D3 shows all of the excess dues collected up until practically the time of the transfer but does not figure it up to any certain time.

The Vice-Chancellor: The point in my mind is, 20 what is the use of my sitting here and hearing one witness testify to a result by a system of estimates and another witness testify to the result from the books? The whole thing is a matter of figures. Now, why on earth two counsel, with the brains Mr. Har-
ned and Mr. Redrow have, cannot determine exactly what these figures are I do not see. What is the necessity of my worrying over it? It is a matter of mathematics. All you have got to do is to get an adding machine and interest calculating machine. 30
This witness testifies accurately, presumably, but I do not know whether he has made any mistakes or not; I do not believe he has made any intentional mistakes. The other witness testified by an approximate method, and testified accurately, no doubt. But

why waste time over a matter of mathematics? There is no doubt what the books show, is there?

Mr. Harned: Well, I don't think so, but, of course, this is a very large calculation, this involves millions of items.

The Vice-Chancellor: Well, I know, but cannot this man and your man go to those books together and come out within a cent of each other, and agree
10 on the thing?

Mr. Harned: They could if they had nine months to do it in, but they haven't got the time. Mr. Ruhl testified it took him nine months to check up these items and that this statement is absolutely correct.

The Vice-Chancellor: That don't go to the place we want to start. Now, you start at two different figures, thirty odd thousands estimated by one and
20 something less ascertained by the other. Now, why don't the two men get together and ascertain together and come here and tell me how much it is? They did not have any difficulty during the trial when they got their heads together over at the table and added up some ten or twenty thousand receipts.

The Witness: Your Honor, there is only a difference of 2,000 between the estimated and the actual; he reports thirty-nine and I report thirty-seven.

30 Mr. Harned: We have been to Mr. Redrow a dozen times and tried to get something done but without success.

By the Vice-Chancellor:

Q. How long will it take you and Mr. Walter to-

gether to go there to the books and verify your figures?

A. I don't know.

Q. You have got your figures, haven't you?

A. I have got mine all tabulated.

Q. You have got your notes all tabulated?

A. Yes. I don't know how fast he works.

Q. How long will it take for you to go there together and to explain your figures and agree together? I am going to allow interest on this money to the amount that is right and I am not going to allow it for an erroneous amount, if I can help it. Now, can't you gentlemen help me find out what is right? 10

A. I can explain to him in five minutes my principle of figuring it if he will only acquiesce in it.

Q. He has got to know something more than your principle. He has got to go over your figures. How long will it take you to satisfy him that your figures are accurate?

A. I couldn't tell you, Judge. You will have to ask him. He got very arbitrary at one time. 20

The Vice-Chancellor: Well, I want Mr. Redrow, Mr. Harned and the respective men on whom you depend for these figures to see if you cannot work out this little mathematical problem, so that you can come here and tell me what I am to do.

Mr. Redrow: Mr. Harned knows as well as I do that the interest calculated on this amount from January 31st, 1912, down to date, does not amount to in the neighborhood of a thousand dollars of the amount that he claims in this statement. 30

Mr. Harned: No, I don't know anything of the

kind. I say it don't amount to within five or six hundred dollars.

Mr. Redrow: Now, he comes in here and undertakes to claim interest running back to March 1st, 1910, when there could not have been possibly any excess dues. Now, if Mr. Harned will act fair and turn it over to some accountant—I don't care who it is—I am willing to do anything at all to have it straightened out.

10

The Vice-Chancellor: (After discussion) I should say you and Mr. Harned could determine, with the assistance of your respective clients, exactly all of the mathematical problems there are, and then leave it for me to determine, if it is in dispute, where you are to begin to draw interest and what rate you are to draw. Now, isn't that the best way to do it?

Mr. Harned: I am perfectly willing. Mr. Redrow,
20 when will it suit you?

Mr. Redrow: Any time at all.

Mr. Harned: How about this afternoon?

Mr. Redrow: I am taking testimony this afternoon.

Mr. Harned: How about right away?

Mr. Redrow: All right.

30

The Vice-Chancellor: Well, let it stand adjourned until next Monday, or until I hear from you. Now, get all the mathematics there are settled so there will be no dispute about it, and then if there is any question of where you are to begin charging interest I will determine that.

The question upon which I feel some degree of uncertainty, and upon which I shall express no opinion at this time, is the question of interest. Up to this time I have not discerned any theory upon which it seems clear that interest could be allowed upon this controverted fund under any circumstance. I will, however, retain an open mind upon that question and give it further reflection and will receive briefs from counsel upon that question alone.

10 The signal controversy now present—aside from the question of interest—is whether this beneficial association had the right to restore to its members the money which those members had paid as dues in excess of the old flat rate of fifty cents per month, and if that right existed whether it was properly exercised; but before expressing my views and the reasons for my conclusions it may be well for me to briefly review the essential matters which have heretofore transpired and the litigation which resulted.

20 In 1910 or, perhaps, 1909 this beneficial society determined to increase the dues of its members. That determination, as it has appeared in the litigation that has gone before, was the result of an ascertainment that the then existing flat rate of fifty cents a member, or under certain conditions sixty cents a member, which flat rate was the rate established by the by-laws of the society, was inadequate. Accordingly, a scale of graduated dues of members was adopted by amending the by-laws, the amendment providing for amounts of dues based
30 upon the life expectancy of members, or, in other words, upon their age, so that under the amended by-laws it would cost a member who was advanced in years more to carry insurance in the society than it would cost a member who was young in years. It is entirely obvious that that is the only sane

method of insurance that exists. A flat rate of insurance which costs the same for a young man as it costs for a man advanced in years is inequitable and might well have been anticipated to have led to the very conditions which followed, namely, embarrassments in conducting the beneficial society properly and successfully.

When this amendment to the by-laws was made, which, if enforced, would be operative to increase the dues of members of advanced years, it was more or less natural that those whose dues it would be operative to increase would object. Accordingly, a bill was filed in this court to enforce the contractual rights of an old member, of a member who had joined prior to that amendment of the by-laws, by the procurement of a decree of this court, or by the attempted procurement of a decree of this court, to the effect that the amended by-law was void as to members who had joined at a time when the by-laws contemplated the flat rate of fifty cents a month. That case was heard by Chancellor Walker, then Vice-Chancellor, and he determined in favor of the complainant. Afterwards it was appealed to the Court of Errors and Appeals and the decision of the Vice-Chancellor was sustained. In that case the opinion of Vice-Chancellor Walker, either as originally filed or by a supplemental opinion on motion to modify the injunction, states that the society or order may be privileged pending the litigation to collect dues in accordance with the amended by-law from such as should pay them, and, quoting his language from memory, that if it should be finally determined that the advanced rate was unlawful there could be credited to such members the excess payments they had made on dues to accrue in the future, but that no members need accompany

such payments by a formal protest for the protection of their rights; he also said that the society should be restrained from expelling any member by reason of non-payment of the increased dues. The order which was made, based upon that opinion, went no further than to restrain the society from expelling a member for non-payment of the increased amounts, and while the language of his decision referred to crediting the members with the excess payments on dues in the future to accrue it is perfectly obvious that the expression touching the manner in which the credit should be applied had reference to a matter that was in no way specifically involved or discussed and that the spirit and intent of the decision was that members might pay in their advanced dues without protest, without thereby losing a right to reclaim the benefit of them in the future. Whether those excess dues should be credited upon dues in the future accruing or whether they should be returned to the member was not a specific matter which was brought to the attention of or brought under discussion by the Vice-Chancellor and, to my mind, was not a matter intended to be determined by the Vice-Chancellor. I take that decision to mean, therefore, as it must, I think, be taken by anyone who grasps the spirit of the whole decision, that the society was privileged to go ahead with its work in its usual way, enforcing the new by-law as far as members would accede to its enforcement, and that members acceding to its enforcement should not lose whatever rights they had in the excess moneys paid by them, should it be subsequently determined that the excess charges could not be lawfully sustained.

Now, it seems to me clear that under such a decision—a decision on declaring the by-law void as

to members who had joined prior to the amendment—no title to excess dues paid under circumstances of that nature could pass to the society. I gave that question what I thought to be mature consideration when the preliminary application was heard in this present suit, and it then seemed to me and now seems to me, after listening to the arguments of counsel, that payments made without formal protest, as the Vice-Chancellor in his opinion said they might be, so far as those payments exceeded in amount the rates charged before the by-law was amended, should be regarded as involuntary payments in a society of this nature, and that money so paid, in the event of an adverse decision touching the legality of the by-law, in no sense inured to the benefit of the beneficial society, but retained its character as money of the member who advanced it under the new but invalid by-law. Every reason seems to me to exist for such a conclusion. 10

It is entirely manifest that many members who made payments in conformity to the amended by-law would make them in comparative if not positive ignorance touching the validity of the amended by-law. Many of the members, no doubt, did not even know of the pendency of the litigation touching the validity of the by-law. Some of the payments, no doubt, were made by members who did know of the litigation touching the validity of the by-law but did not desire to resist the will of the society. Other payments, no doubt, were made by members who knew of the decision of the Vice-Chancellor and who believed that their money would be returned to them or credited to them in some form in the event of the by-law being set aside. Those things seem perfectly clear and those conditions undoubtedly prevailed as to various members; but as to the society there 20 30

can be no possible doubt of its attitude. The society never regarded itself as owner of these excess funds in the event it should be ultimately found that the by-law could not be enforced, in the event of adverse decision in the suit which was then pending, so I think it is immaterial what the individual members may have thought or what they may have regarded or whether they knew anything about the exact conditions then existing when every circumstances of this case from beginning to end indicates to my

10 mind that this beneficial association at no time considered for a moment that these excess funds belonged to the association should it eventually be determined that the by-law could not be enforced as against all of its members.

Now, it is true, as here argued, that the by-law was being attacked by and in behalf of a certain class of members, that is, members who joined before the amended by-law was adopted, but from the standpoint of the beneficial society the by-law was

20 one that was designed to be enforced in its entirety or not at all; it was a new condition which the society endeavored to impose upon all of its members, present and future members alike, it was a new rate of dues, graduated according to age, and if that amended by-law could not be enforced in its entirety as against all the members it could not be enforced at all, because it was passed as an entirety and designed to be operative only in its entirety, and at

30 no time, in my judgment, did this beneficial association for a moment deem itself entitled to any of the money should it be determined in that litigation that the by-law could not be enforced against all the members, old and new alike. It cannot be reasonably contended or suggested that the amended by-law was adopted by the society as a by-law to be en-

forced against new members and not against old ones. It was an unseverable entirety.

When it was found that this graduated scale of dues could not be enforced against all the members, as it was obviously intended by the by-laws it should be, the beneficial association determined upon another plan which they thought could, at least partially, accomplish their original purposes, and that was to adopt another by-law with the same graduated scale of dues based upon the age of members but by its terms exempting from its operation the old members (who had legal rights, contractual rights, under the old by-laws) from the operation of the new by-law unless they would, perchance, be willing to waive their rights and come in under the new amendment. For that purpose the second amendment adopted two classes or divisions of members. The first class was to comprise all members who had joined since the first attempted amendment, also all members who joined after the enactment of this second amendment, and also all old members who had these ancient contractual rights but were willing to waive them and come in under Division number one and live happily under the graduated scale. Division number two was to be the old members who declined to waive their rights and declined to come in as members of Division number one. That by-law also embodied as one of its essential and integral parts another very important and basic feature, and that was that it contemplated a division of the funds on hand in such manner that part should be set over to one division and part set over to the other division and that each division should be thereafter exempted from liability to the obligations of the other division. A suit was accordingly brought by

an old member to determine the validity of that by-law, and on the preliminary hearing in that case an opinion was written by me, which I think will be found in the official reports. In that case it was my determination that, whether or not there existed a right to divide the funds on hand between the two divisions, and without considering whether any right to divide those funds existed, it was obvious that the method of division what was adopted by the by-law was a wrong method. The method
10 which was adopted for a division of funds was based upon years of membership, and it was held in that case that that was an erroneous basis for division, and no consideration was given in that case to any other questions involved but on the preliminary application the case was disposed of upon that point alone. It was, however, at that time stated by me in the opinion then filed that if the defendant society conceived that it could throw more light upon the situation by a final hearing and desired to go to final
20 hearing in order to have the benefit of further evidence before the court, no preliminary injunction of any nature would be issued but the society could proceed with its work under the new by-law, keeping its accounts in such way that if the new by-law was determined to be invalid what had been done could be undone. That was the spirit of the views entertained by me at that time and that will, I think, be found embodied in my decision.

It appears that the defendant society concluded,
30 however, before final hearing was reached, that it would not further contest that suit but would endeavor to accomplish the same result by a new or third amended by-law, making a modification of the method of division of the funds of the society, so a third amended by-law was adopted and the third

amendment was essentially the same as the second except that it provided for the division of the funds upon a percentage based upon the life expectancy of the various members of the association. That by-law was also attacked in this court by a bill filed by an old member who had come in under the original flat rate plan and who objected to any increase of dues being imposed upon him, and that suit came before me, as I now recall it, upon a preliminary application for an injunction upon facts which were not disputed. My opinion in that suit will be found in the last Equity Report. In that case it was my determination, after full and mature consideration, that the contract rights of the old members were such that they were violated by the enforcement of this third amendment and that no division of the fund could be made between the two classes of members of the nature proposed by the new by-law. 10

Now, that, I think, briefly covers the essential facts so far as the history of the preceding litigation is concerned. Then it was that the association determined to finally restore to all members to whom restoration had not prior to that time been made all excess dues which had been paid under the three attempted amendments. 20

There has been criticism made at this time of the method that was adopted in making this restoration of excess dues. There seems to have been an attempt upon the part of the society to procure either from or in behalf of all of the members of the society who were entitled to the refund of excess dues, assent to have those excess dues disposed of in the manner that the society proposed to dispose of them. Just how far that attempt succeeded or failed appears by the evidence in this case. There were some members who actually signed such assents; 30

there were some scroll keepers or subordinate or local organizations who assumed to certify to the assent of its members; there were many of such assents apparently sent in by scroll keepers without any real signatures to them at all, nothing but typewritten signatures of members; so on the whole it cannot be said that any large percentage of individual members actually consented to the detailed plans which were adopted to effect the restoration of excess dues; the most that can be said is that

10 some seventeen hundred, I think it was, actually consented over their own signatures, another similar percentage, some fifteen hundred, I think, apparently assented by their scroll keepers over the seal of the local order, and the remainder have not assented so far as any authentic proof of assent is concerned. The scheme, therefore, to procure the assent of these various members to the plan or method of returning this money seems to have been a signal failure. In my judgment, however, there was no necessity for

20 any formal assents so far as setting aside these excess funds as a trust was concerned. If this society held these funds in trust for these over-charged members it was, in my judgment, within the power of the society to segregate these funds and place them in the hands of trustees for the benefit of the several members who were entitled to them. If since then those funds have been devoted to a purpose inconsistent with the wishes of any member that member having had no opportunity to dissent to

30 that use, that member having in no way since ratified that use, it is the right of that member to procure his remedy against the trustees and I have no doubt he can easily follow the funds; but so far as this court is concerned it must be assumed, I think, that any act so formal in its nature as a de-

clared trust in behalf of *cestuis que* trust, with the funds placed in the hands of these trustees, which is so clearly beneficial to the *cestuis que* trust, will be deemed to have been assented to by the *cestuis que* trust in so far as any such assent is necessary. It is a principle of law applied to many circumstances that the presumption is that an assent is given by a person to a transaction which is clearly to his own interest and benefit, and in the segregation of these funds and the placing of them in the hands of trustees, if it be determined that these members had the right to these funds, if it be determined that these funds were trust funds, the transaction is impregnable, in my judgment, so far as this court is concerned at this time. 10

It is true that this segregation of these funds, which I treat as trust funds, as I have already stated, occurred at a time when it was reasonably obvious—when, it seems to me, it must have been reasonably obvious to the officers and members of this body—that the body was approaching bankruptcy. If, therefore, this segregation of trust funds or segregation of funds for the benefit of these members is to be regarded in the light of a preference to creditors I apprehend that under the proofs in this case it could not stand. The transaction to stand must stand as a transfer of funds in behalf of members that belonged to those members rather than as a transfer of funds belonging to the association to creditors of the association, thus making them preferential; so the whole question, it seems to me, turns upon whether or not these funds were trust funds belonging to these members and not belonging to the association. If they were trust funds belonging to these members and not belonging to the association then the equitable title could not 20 30

pass to a receiver, the funds would belong to these individuals and if they passed to the possession of a receiver the individual could maintain against the receiver preferential claims for the money.

It is a principle of law, so well known to all of us that it need scarcely be referred to, that in many cases to justify the segregation of trust funds the fund must be earmarked and identified, but that does not mean that the individual dollar that has been paid in must still lie in a till and be identified as
10 the very dollar that came from the member and not a dollar that came from other sources of revenue of the association. It would have been better, no doubt, if this association had kept separate, in a separate bank or in a separate till, all moneys that were paid in excess of the old rate; then there could have been no question touching the identification of the money itself. But that was not done. The money was commingled with the funds of the association, but the accounts were at all times in a
20 condition where it could be ascertained and was ascertained what amounts belonged to these several members, and that amount was ascertained and when ascertained money was taken from the treasury and set apart for these members. Now, that, in my judgment, is a sufficient earmarking or identification of the fund, of the money itself. The identification was impressed upon the funds by the trustee. If the concern had then been without assets to the amount of these preferred claims, to the
30 amount of this trust fund, of course, there could have been no complete identification of that nature, but where there was money and securities on hand at all times in amount sufficient to answer the obligation there was, in my judgment, no such commingling of funds as would destroy the right of the

cestui que trust to his preference, as would destroy his right to a return of the amount to which he was or they were entitled, or would destroy the right of the society to return the money. If trust money should be paid to me—money in which I had no right except as a custodian—and should be by me deposited in my bank with my own money, there can be no doubt of my right as an individual or as a corporation, as against my creditors, to draw a check upon those funds, the funds in bank, and restore to my *cestui que* trust the money which belongs to him. It is not a transaction that should be indulged, because trust money should not be commingled with individual money, but it is a transaction that the law will sustain so far as the restoration of the trust funds by the trustee is concerned. See *Smith vs. Combs*, 49 N. J. Eq. 420. 10

Those, gentlemen, embody, somewhat crudely, my views touching the essential questions in this case. The receiver has conceded that the amount of money restored was the amount that had actually been paid in in excess dues, and that the names of the several parties upon this exhibit are the names of the persons to whom that money would have come should those people be found to be entitled to the money. 20

Now, on the question of interest I wish more assistance than counsel have up to this time given me. That is a question which I have not heretofore had before me in this case. I was not heretofore aware that interest had been allowed these members. The matter is one in which I feel a degree of uncertainty at this time and, therefore, a question which I should further consider and should ask the aid of counsel in its consideration. It is true, as is suggested by Mr. Harned, that trust moneys in the hands of a trustee ordinarily draw interest, but that, to my mind, is 30

not the sole question here involved. These moneys come under the dominion of this society in a peculiar and unusual way. (I am making these suggestions now purely for the consideration of counsel and not to commit myself upon any final determination.) The way these moneys came under the dominion of this society was, it may be said, unique. The members were spared the necessity of making payments under protest, but it was understood by the society, as I have said, that this money was to be returned

10 if it was found that the scheme, then tentative by way of successive amendments to the by-laws, could not be carried out. Now, when did the members become entitled to the return of this money? When it was found that the scheme could not be carried out? Was it not then? How, then, could interest be claimed by them on funds which they, tacitly, at least, assented to remain in the hands of the society until the litigation should determine whether they were entitled to them or not? Interest is re-

20 garded as a penalty, or damages, in the absence of a contract. We may contract for the payment of interest from any date, but in the absence of a contract interest is ordinarily not payable until the money is payable. So I am at this moment somewhat impressed, without giving the subject mature consideration, that the earliest possible date on which any interest could accrue in behalf of these members, or upon which any interest could begin to run in behalf of these members, would be when this

30 society finally determined to restore this money to its members, when it finally determined it could not work out the general scheme it was trying to work out of increasing its dues and, therefore, determined it would restore the money it had received without right. Now, how could interest possibly run before

that date? How could interest accrue as damages before the money was repayable to these men? That is the question which I desire to further consider and on which I desire further light. If it be true that this money was not payable to these *cestuis que* trust until this society determined to refund it, and it should be found on that or any other ground that the interest charge is erroneous, there should be paid to the receiver from these funds the amount of that interest. If, on the other hand, this money is to be treated as trust money under a trust of a nature where the *cestui que* trust would be entitled to interest, then, perhaps, the *cestui que* trust would be entitled to interest from the date the society received the money. But was this a trust of that nature? Is there any resemblance between this trust and a trust where a trustee has money for another which the trustee is supposed to invest for the other's benefit? Can the trust be even regarded as a trust *ex malificio*? Was not this money, which was paid ostensibly as dues, to be used by the society for its own benefit, as it was used? Was there ever a thought upon the part of any *cestui que* trust who paid excess dues or upon the part of any officers of the society receiving these excess dues that when the money was restored interest would be allowed from the date of the payments? It may be, however, that the circumstance that the money was, in fact, used by the society will be found a controlling circumstance and entitle the members to interest.

Now, with these suggestions touching interest, made as they are for the purpose of asking counsel to aid me in the correct solution of that question—for it involves some six or seven thousand dollars of these moneys—I will ask that briefs be submitted at an early date upon the single question of interest.

Mr. Horner: Your Honor, might I ask if the Court has considered or will it at this time consider or dispose of the question of members who came into the society after March 1st, 1910, and who have from that date to this paid the dues according to the graduated scale, which has, so far as they are concerned, always been in effect?

The Vice-Chancellor: I thought the views I expressed covered members of that class to exactly
10 the same extent as members of other classes, to exactly the same extent as old members who had joined prior to that date and who voluntarily came in to the new division and paid dues. My views are, and I had intended to so express them, that these several amended by-laws which made attempts to change the dues from a flat rate to a graduated scale were entireties and were unseverable; that there was never any attempt made to change the by-laws unless the whole scheme went through. If the aim
20 and purpose of the society was to amend its by-laws to accomplish a defined scheme, no court can force on the society a part of the scheme which the society did not intend to adopt except as an essential and integral part of a whole. The society did the legislating, not the court. The first attempt was an attempt to change the by-laws from a flat rate to a graduated rate as to all members. There was no thought of that change being effectual and permanent or that provision being effectual and permanent unless it could be enforced against all the mem-
30 bers; it was a distinct, clear, specific and unseverable plan; old members, therefore, who paid under that by-law paid—as to any excess of payments over the flat rate—under an unlawful by-law, under a by-law that had not been adopted for any purpose ex-

cept for its enforcement in its entirety, and as it could not be enforced in its entirety it could not be enforced at all. When the next change came, which was an attempt to divide the members into two divisions and to divide the funds and to allow old members to remain in the old class, there was no thought or effort or attempt or intent of the society to make that by-law effective unless it could be lawfully effective in its entirety. That by-law, like its predecessor, could not exist for one member and be inoperative for another, because no such intent existed in the legislative body which adopted it. It was an entire amendment of the old scheme and failing in part failed in its inherent power in every aspect. The third amendment was of the same nature. It was an amendment designed to provide a new scheme of operation, and if it was unlawful in part it was wholly unlawful, because it was an entirety; it was adopted under the assumption that it could be enforced in its entirety and when it was found it could not be, it failed. Therefore, I hold that these amendments, although, as is said by counsel, they were only declared void as against the complainants in the several suits, and as against others similarly situated, were nevertheless void amendments, because they could not be enforced in the manner in which their adoption intended that they should be enforced if at all. It was never at any time intended by the society or by any member who made excess payments that those excess payments should be enjoyed by the old flat rate members; the proposed, but illegal, division of funds was to prevent that very thing, and it would be a wrong to give the payments that effect. All members who paid in excess of the flat rate paid the excess upon the necessary assumption and condition, and the society re-

ceived the excess payments on the representation and condition, that there would be a division of the funds pursuant to the amended by-law. Those are my views upon that feature, and I, therefore, hold that all payments in excess of the flat rate, by any person, either a person who joined prior to the first amendment or who joined after the first amendment, were payments which were unlawfully exacted as to the excess over the flat rate and, therefore, became trust funds and returnable to the members
10 who paid them.

I have taken more time, perhaps, than I should in the expression of my views. There are other considerations that might well be indulged, but they involve no more than additional reasons for the conclusions which I have announced, and, I think, with what I have said my views probably will be sufficiently defined to counsel to enable counsel to understand on what my conclusions are based. I will make that disposition of the case.

20 Counsel may have a week in which to submit briefs.

Heard September 14 and 15, 1915, and
Determined on last mentioned date.

SUPPLEMENTAL.

30 It has been said that there is no subject in the law with reference to which there is greater conflict and confusion in the cases than that of interest. 16 Am. & Eng. Enc. Law (2nd Ed. 922). But it may be said to be an established rule that when one person holds money of another which it is the holder's duty to pay to the other interest will be allowed

from the time, and only from the time, the duty of payment arose; and, I think, the great weight of authority supports the view that in such cases the doctrine on which interest is allowed is not by reason of any implied contract to pay interest, but solely by way of damages. In this view no interest could be allowed for the reason already suggested that the money only became payable to the members when the scheme for increasing dues was found to be contrary to the original by-laws of the order.

But another class of cases exists which may be said to afford an exception to the rule above stated. These cases arise when during the period of custody and before the time when the duty of payment arises the custodian uses the funds or otherwise makes a profit from them. For an exhaustive discussion of the subject see *Sillech vs. French*, 1 Conn. 32, and the annotations to that case found in 6 Am. Dec. 185 and in 1 Am. L. C. 496. 10

Justification for the allowance of interest based upon use or benefit derived from the money where no wrongful detention of principal exists is to be found in this State in the following cases: *Agnew Co. vs. Board of Education*, 83 N. J. Eq. 49, 67, affirmed *Ib.* 336, 339; *Fleck vs. Leake*, 54 N. J. Eq. 638; *Caddington vs. Idell*, 30 N. J. Eq. 540; *McKnight's Ex. vs. Walsh*, 23 N. J. Eq. 136; *Voorhees vs. Stoothoff*, 11 N. J. Law, 145; *Freeholders Somerset Co., vs. Veghte, Magie, J.*, 7 N. J. L. J. 145. 20

As the funds here in question were used to the profit of the society I am convinced that interest was properly allowed. 30

Complainant has requested that defendants be required to disclose how this interest was ascertained to the end that it may be more accurately determined whether the amount paid was the correct amount.

I think this request a proper one, as no inquiry has been made of that nature.

I will hear proofs on that subject at a time to be agreed upon by counsel.

Determined: September 22, 1915.

STIPULATION.

10 It is agreed that the interest from January 31, 1912, to April, 1914, was \$6544.18
 That the interest from March 1, 1910, to January 31, 1912, was 1752.53

JOHN F. HARNED,
Sol'r of Defendants.
 OSCAR B. REDROW,
Sol'r of Complainant.

20

30

FINAL DECREE.

IN CHANCERY OF NEW JERSEY.

Between JOHN G. HORNER, Re- ceiver, GEORGE W. HEINECKE, <i>et al.</i> ,	}	Compl't, and Def'ts.	ON BILL FOR INJUNCTION. FINAL DECREE.	10
---	---	----------------------------	---	----

This cause coming on to be heard in the presence of Oscar B. Redrow, solicitor and of counsel with the complainant, and John F. Harned of counsel with the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, individually and as trustees, William M. Hearn, H. B. Walter, George W. Dannenhowe, Henry I. Yohn, Hilton Taylor and Charles W. Bacon, no one appearing for the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Laura L. Barnes, Emma B. Burton, Maggie J. White, Amelia Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper and Charles Lambert, and The Maxwell Improvement and Educational Association, and the pleadings having been read and proofs having been taken and considered and the argument of the respective counsel having

20
30

been heard and considered, and the Court having duly considered the same, and it appearing that the bill was filed for the purpose of setting aside certain assignments of mortgages made by the Supreme Circle, Brotherhood of America, to George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, dated the 9th day of April, 1914. And it appearing that the said assignment of mortgages was made for the purpose of returning to various members excess dues collected by the Supreme Circle from a large number of the members of the Brotherhood of America, amounting in all to the sum of \$88,893.33, and the Court being of the opinion that said sum was lawfully returned and that the assignment of mortgages was lawfully made, but that the said defendants received for interest the sum of \$1,126.15 in excess of the amount to which they were entitled and upon the payment of the same to the complainant, the bill should be dismissed.

It is on this 21st day of October, 1915, by Edwin R. Walker, Chancellor of the State of New Jersey, adjudged, ordered and decreed, that the action of the Supreme Circle, Brotherhood of America, in returning to the several members the excess dues paid by them amounting, with interest on the same, to the sum of \$88,893.33, is hereby approved except as to the sum of \$1,126.15, together with interest thereon from the 9th day of April, 1914, and upon the payment to the complainant the sum of \$1,126.15, which sum is hereby directed to be paid with interest as aforesaid, the relief asked for by said bill be and the same is hereby denied, and the complainant's bill dismissed without costs to be taxed by either party against the other.

And it further appearing that said defendant has paid to said complainant the sum of \$1,126.15, with

interest thereon from the 9th day of April, 1914. It is further ordered that the restraining order and the injunction heretofore made in this cause restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Emma B. Burton, Maggie J. White, Amelia Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert, and The Maxwell Improvement and Educational Association and John H. Heaton, from paying any and all moneys that may be due or may hereafter become due and payable for interest 10
interest and principal on the said mortgages described in the bill of complaint in said cause to the said defendants, be and the same is hereby dissolved, set aside and for nothing holden.

E. R. WALKER,
C.

Respectfully advised,
E. B. LEAMING,
V. C.

20

[ON REVERSE SIDE]

Received of John F. Harned, sol'r of defendants, Voucher No. 459 of Death Benefit Association for twelve hundred and eleven dollars, without prejudice.

October 19, 1915.

OSCAR B. REDROW,
Sol'r of John G. Horner,
Receiver, Compl't.

30

NOTICE OF APPEAL.

IN CHANCERY OF NEW JERSEY.

Between

JOHN G. HORNER, Receiver,

Complainant,
and

GEORGE W. HEINECKE,
et al.,

Defendants.

ON BILL FOR
INJUNCTION.
NOTICE OF APPEAL.

10

The complainant hereby appeals from so much 20
of the final decree made in this court in the above
stated cause as declares:

1. That the assignment of mortgage dated April
9, 1914, by the Supreme Circle, Brotherhood of
America, to the defendants, George W. Heinecke,
Albert L. Welsh and John R. Wills, trustees, was
made for the purpose of returning to various mem-
bers excess dues collected by the Supreme Circle
from a large number of the members of the Bro-
therhood of America, amounting in all to the sum 30
of \$88,893.33.

2. That excess dues were returnable.

3. That the said sum of \$88,893.33 was lawfully
returned.

4. That the said assignment of mortgage was lawfully made.

5. That the relief asked for by the complainant's bill be denied and that the complainant's bill be dismissed.

6. That the restraining order and injunction heretofore made in this cause, restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Emma B. Burton, Maggie J. White, Amelia Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert, Maxwell Improvement and Educational Association and John H. Heaton, from paying any and all moneys that may be due or hereafter become due and payable for interest and principal on said mortgages described in the bill of complaint in this cause to the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, be dissolved.

20

7. That complainant is not entitled to costs.

To the Court of Errors and Appeals in the last resort in all causes.

Dated at Camden, N. J., October 22, 1915.

OSCAR B. REDROW,
*Solicitor for and of Counsel
with Complainant.*

30

I conceive there is good cause for appeal in the above stated cause.

OSCAR B. REDROW,
Of Counsel with Complainant.

PETITION OF APPEAL.

**NEW JERSEY COURT OF ERRORS AND
APPEALS.**

*To the Honorable, the Court of Errors and Appeals
in the last resort in all causes:*

The humble petition of John G. Horner, receiver
of the Supreme Circle, Brotherhood of America, the
appellant in the above stated cause, respectfully
shows that your petitioner finds himself aggrieved
by a final decree made in the Court of Chancery by
his Honor, Edwin R. Walker, Chancellor of the
State of New Jersey, bearing date the twenty-first
day of October, nineteen hundred and fifteen, where-
in the said John G. Horner, receiver of the Supreme
Circle, Brotherhood of America, was complainant,
and George W. Heinecke, Albert L. Welsh and John
R. Wills, trustees, and others, were defendants, in
this respect, to wit:

That the said decree adjudges that the assign-
ments of mortgages made by the Supreme Circle,
Brotherhood of America, to George W. Heinecke,
Albert L. Welsh and John R. Wills, trustees, dated
the ninth day of April, nineteen hundred and four-
teen, was made for the purpose of returning to vari-
ous members excess dues collected by the Supreme
Circle from a large number of members of the Bro-
therhood of America, amounting in all to the sum of
\$88,893.33, and that the said sum was lawfully re-
turned and that the assignments of mortgages was
lawfully made; that the action of the Supreme Cir-

10

20

30

ele, Brotherhood of America, in returning to the several members the excess dues paid by them amounting, with interest on the same, to the sum of \$88,893.33, is hereby approved except as to the sum of \$1,126.15, together with interest thereon from the ninth day of April, 1914, and upon the payment to the complainant the sum of \$1,126.15, which sum is hereby directed to be paid with interest as aforesaid, the relief asked for by said bill be and the same is hereby denied, and the complainant's bill dismissed without costs to be taxed by either party against the other.

And it further appearing that said defendant has paid to said complainant, the sum of \$1,126.15 with interest thereon from the ninth day of April, 1914, it is further ordered that the restraining order and the injunction heretofore made in this cause restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Emma B. Burton, Maggie J. White, Amelia Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert, Maxwell Improvement and Educational Association and John H. Heaton, from paying any and all moneys that may be due or may hereafter become due and payable for interest and principal on the said mortgages described in the bill of complaint in said cause to the said defendants, be and the same is hereby dissolved, set aside and for nothing holden.

And your petitioner humbly appeals from that part of the decree of the Chancellor which decrees:

1. That the assignment of mortgage dated April 9, 1914, by the Supreme Circle, Brotherhood of America, to the defendants, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, was

made for the purpose of returning to various members excess dues collected by the Supreme Circle from a large number of the members of the Brotherhood of America, amounting in all to the sum of \$88,893.33.

2. That excess dues were returnable.

3. That the said sum of \$88,893.33 was lawfully returned and that defendants were entitled to interest.

10

4. That the said assignment of mortgage was lawfully made.

5. That the relief asked for by the complainant's bill be denied and that the complainant's bill be dismissed.

6. That the restraining order and injunction heretofore made in this cause, restraining the defendants, William M. Shivers, John F. Harned, Henry C. Barnes, Emma B. Burton, Maggie J. White, Amelia Spellerberg, Jessie Kennedy, Linda L. Franklin, Rebecca S. Cooper, Charles Lambert, Maxwell Improvement and Educational Association and John H. Heaton, from paying any and all moneys that may be due or hereafter become due and payable for interest and principal on said mortgages described in the bill of complaint in this cause to the defendant, George W. Heinecke, Albert L. Welsh and John R. Wills, trustees, be dissolved.

20

30

7. That the complainant is not entitled to costs upon the ground that the same is erroneous, for that no such decree should have been made, for that from

the facts of the case the Chancellor should have made a decree in accordance with the relief asked for in the complainant's bill; also that from the law and equities of the case the Chancellor should have made a decree in accordance with the relief asked for in the complainant's bill.

Your petitioner, therefore, prays that the said decree of the Chancellor may be, in the particulars aforesaid, reversed, set aside and for nothing holden.

10 And that your petitioner may have such other relief in the premises as to his Honorable Court shall seem meet.

OSCAR B. REDROW,
Solicitor of Appellant.

OSCAR B. REDROW,
Of Counsel with Appellant.

20

[ENDORSED]

Service of the within petition of appeal is hereby acknowledged this 11th day of November, A. D. 1915.

John F. Harned,
Solicitor for Respondents.

30

ANSWER TO PETITION OF APPEAL.

NEW JERSEY COURT OF ERRORS AND APPEALS.

Between JOHN G. HORNER, Re- ceiver, <i>Appellant,</i> and GEORGE W. HEINECKE, <i>et al.,</i> <i>Respondents.</i>	}	ON APPEAL. ANSWER TO PETITION.	10
---	---	--------------------------------------	----

The answer of the above named respondents to the petition of appeal of the above named appellants. 20

These respondents, not acknowledging all or any of the matters, which in the said petition of appeal are contained, to be true nor answering thereto, nevertheless, says and admits that a decree was on the 31st day of October, 1915, made and entered in the Court of Chancery in the cause, for the purpose mentioned in said petition, as is therein stated, but as to the substance and form thereof, these respondents pray to refer thereto when the same shall be produced. And these respondents are advised and believe that the said decree is agreeable to equity and they pray that the same may be affirmed with costs to be taxed to these respondents. 30

JOHN F. HARNED,
Solicitor and of Counsel
with Respondents.

EXHIBIT C1.

9/14/15.

	J 1898.P.	91	#21 Broadway Camden N. J	4000
	" "	"	#919, 921, 927, 937, 939 Car- penter St Camden N. J	4000
	1900	40	#958 & #960 Pine St Cam- den N J	3000
	J 1901	62	#427 Cooper St Camden N. J	5000
10	" 1901	62	#810 Mt Ephriam Ave Cam- den N J	1250
	x" 1903	74	#1157 Cooper St Camden N. J	1250
	" "	75	#855 Haddon Ave Camden N J	1800 1600
	" "	75	#859 Haddon Ave Cam- den N J	1800
	" "	75	#324 Benson St Camden N J	1800 2000
	" "	75	#215 Benson St Camden N J	1300
20	" "	75	#422 S. 2nd St Camden N J	700
	" "	75	#424 S. 2nd St Camden N J	700
	" "	75	#426 S. 2nd St Camden N J	700
	" "	75	#216 Washington St Camden N J	700
	" "	75	#318 Washington St Camden N J	1200
	" 1906	27	#625 E. Girard Ave Phila	2000
	" 1907	33	#1419 Lexon Ave Phila	2100
	" 1907	33	#2441 N. 19th St Phila	3000
30	" 1907	33	#2153 E Cumberland St Phila	2500
	" "	34	#2668 & 2670 Martha St Phila	1500
	" "	34	#3150 & 3156 Richmond St Phila	5000
	" "	"	#3308 & 3310 & 3312 H St Phila	6000

Exhibits

301

“ “	33	#1235 Liberty St Camden	800	
“ 1908	43	#2118 Tioga St Phila	10000	
“ “	44	Dwelling, Mans ion Ave & other Street Including A b o u t 100 Acre on tract Haddonfield N J		
				15000 12000
“ 1909	59	#2003 E Erie ave		1400
“ 1909	59	#1914, 1916, 2000, 2002, 2004, 2006, 2008, 2038, 2040 E. Glenwood Ave		10
				12600
x 1903	75	#216 same as 220 Washing- ton St Camden	700	
	1903	75 #344 S 4th St same as 434 S. 3rd St.		1000
		#415 Berkely St		20
				\$89800

Mortgages shown in each Journal published since the date of Purchases up to & including J 1914 as being investment of the Reserve Fund.

RESERVE FUND.

Dec. 31, 1909.	Amount Reserve Fund	\$153,856.55	
Dec. 31, 1910.	Amount Reserve Fund	148,535.05	30
Dec. 31, 1911.	Amount Reserve Fund	162,662.29	
Dec. 31, 1912.	Amount Reserve Fund	165,988.86	
Dec. 31, 1913.	Amount Reserve Fund		
	No. 1.	\$125,810.46	
	No. 2.	13,318.11	
		139,128.57	

EXHIBIT C1½.

IN CHANCERY OF NEW JERSEY.

	Between	
	William J. McClain,	} On Bill. Order Appointing Receiver.
10	Complainant,	
	and	
	Supreme Circle, Broth- erhood of America,	
	Defendant.	

20 This cause coming on to be heard in the presence of Oscar B. Redrow, of counsel with complainant, and also in the presence of John F. Harned, of counsel with defendant, and due proof being made of the order to show cause of this application on the defendants, and request also being made by the defendant for the appointment of a receiver, and it further appearing that the said defendant corporation has become dissolved in accordance with the laws of this state and have suspended business;

30 It is, on this fourteenth day of December A. D. nineteen hundred and fourteen, by Edwin R. Walker, Chancellor of the State of New Jersey, ordered, that the said rule to show cause be made absolute, and that John G. Horner, of the City and County of Camden and State of New Jersey, be and he is here-

by appointed receiver, with full power to demand, sue for, collect and receive and take into his possession all of the goods and chattels, rights and credits, moneys and effects, lands and tenements, books, papers, choses in action, bills, notes and property of any and every description, belonging to the said Supreme Circle, Brotherhood of America, at the time of their suspension of business, and to do and perform all the duties imposed upon him and required by law. And it is further ordered, that the said John G. Horner, before entering upon his duties, take the oath prescribed by law and give a bond to the Chancellor in the sum of sixty-four hundred dollars, conditioned for the faithful performance of his duties, to be approved as to form and security thereof by Hon Lewis Starr, one of the Special Masters of this Court. 10

E R Walker C

Respectively advised
E. B. Leaming V. C.

20

30

of the complainant's bill. And it was further ordered and decreed that the defendant, the Supreme Circle, Brotherhood of America, pay to the complainant the costs of said suit to be taxed. And your petitioner humbly appeals from said decree and every part thereof upon the ground that the said decree is erroneous.

Your petitioner therefore prays that the said decree of the said Chancellor may be in all things reversed, set aside and nothing holding, and said bill dismissed with costs. And your petitioner may 10
have such relief in the premises as to this honorable Court shall seem meet.

John F. Harned,
Solicitor of Appellant and of
Counsel with Appellant.

20

30

EXHIBIT C3.

NEW JERSEY
COURT OF ERRORS AND APPEALS.

10	Between Daniel H. Park, Respondent, and Supreme Circle, Brother- hood of America, et al., Appellant.	}	Petition of Appeal.
----	---	---	---------------------

20 To the Honorable Court of Errors and Appeals in
 the last resort in all cases:

30 The petition of the Supreme Circle, Brotherhood
 of America, the appellant in the above stated cause,
 respectfully shows that your petitioner finds it is
 agreed by a final decree made in the Court of Chan-
 cery by his Honor, Edwin R. Walker, Chancellor
 of the State of New Jersey, bearing date the eleventh
 day of April nineteen hundred and fourteen, wherein
 Daniel H. Park was complainant and the Supreme
 Circle, Brotherhood of America and others were
 defendants, in this respect, to wit:

That said decree adjudges that a perpetual in-
 junction issue, restraining said defendant, its offi-

cers, agents and all persons claiming to act under its authority or the authority, direction or control of them, from enforcing the amended by-laws above referred to in such manner as to exempt the monies in the Death Benefit Fund and Reserve Fund of the defendant from liability under complainant's contract in the manner specified in said amendment.

And your petitioner humbly appeals from that part of the decree of the Chancellor aforesaid, upon the ground that the same is erroneous, in that such injunction should have been denied. 10

Your petitioner therefore prays that said decree of the said Chancellor may be reversed or set aside and for nothing holden, and that your petitioner may have such other relief in the premises as to this Honorable Court shall seem meet.

John F. Harned
Solicitor for and of Counsel
with Appellants.

20

30

IN CHANCERY OF NEW JERSEY.

	Between	}	
	Daniel H. Park,		
	Complainant,		
	and		On Bill etc.
10	Supreme Circle, Broth-	}	Final Decree.
	erhood of America, et		
	al,		
	Defendants.		

It appearing to this court that the amendments of the by-laws of defendant corporation adopted July 31, 1912 as amended May 15, 1913, are an unlawful invasion of the rights vested in complainant under his contract, and that complainant is entitled to an injunction restraining defendant from the enforcement of said amendments.

It is on this Eleventh day of April, nineteen hundred and fourteen, on motion of Oscar B. Redrow, solicitor of the complainant, by Edwin Robert Walker, Chancellor of the State of New Jersey, ordered, adjudged and decreed, and the said Chancellor by virtue of the power and authority of this court, doth hereby order, adjudge and decree that a perpetual injunction issue restraining said defendant, its officers, agents and all persons claiming to act under its authority or the authority, direction or control of either of them, from enforcing the amended by-laws referred to in such manner as to exempt the moneys in the Death Benefit and Reserve Fund of defendant from liability under complainant's contract in the manner specified in said amendments.

It is further ordered and decreed that defendant pay to complainant the costs of this suit to be taxed and that execution may issue therefor in accordance with the rules and practice of this court.

E. R. Walker, C.

Respectfully advised

E. B. Leaming, V. C.

NEW JERSEY
COURT OF ERRORS AND APPEALS.

10

Between

Supreme Circle, Brotherhood of America et al.,

Appellant,

and

Daniel H. Park,

Respondent.

Order Dismissing Appeal.

20

This cause coming on to be heard in the presence of Oscar B. Redrow, of counsel with respondent, and no one appearing on behalf of the appellants, and it further appearing that the said appellants have not noticed the cause for argument, nor served the state of the case, nor brought on the hearing, according to law and the rules of this court,

It is thereupon on this 18th day of November nineteen hundred and fourteen, by the New Jersey Court of Errors and Appeals, on motion of Oscar B. Redrow, of counsel with the respondent, ordered, adjudged and decreed that the appeal from the decree of the Court of Chancery of the State of New Jersey, dated the eleventh day of April nineteen hundred and fourteen, be and the same is hereby dismissed with costs.

30

EXHIBIT C4.

State of New Jersey.
Department of State.

To all to whom these presents may come, greeting:

Whereas, It Appears To My satisfaction, by duly authenticated record of the proceedings for the voluntary dissolution thereof, by the consent of
10 two-thirds of the members deposited in my office, that the Supreme Circle Brotherhood of America, a corporation of this State, has complied with all the requirements of "An Act to incorporate associations not for pecuniary profit," approved April 21, 1898, preliminary to the issuing of this Certificate of Dissolution;

Now, therefore, I, David S. Crater, Secretary of State of the State of New Jersey, do hereby certify, that the said corporation did, on the twenty-ninth
20 day of September, 1914, file in my office a duly executed and attested consent in writing to the dissolution of said corporation, which said consent and the record of the proceedings aforesaid, are now on file in my said office as provided by law.

In testimony whereof, I have hereunto set my hand and affixed my official seal, at Trenton, this twenty-ninth day of September, A. D. nineteen hundred and fourteen.

30 (Seal)

David S. Crater,
Secretary of State.

EXHIBIT C5.

New Haven, Conn., May 12, 1914.

A meeting of the Death Benefit Fund Association, Brotherhood of America was held at the above place and date.

The following addition to the laws were offered:

That whenever for any cause the Supreme Circle Brotherhood of America shall cease paying Death Benefits this association shall immediately begin 10
paying the same to all its members upon their paying to this association the graded rate of dues before referred to and all of the laws, rules and regulations heretofore in force in the Supreme Circle shall immediately become in full force in this Association and the Trustees shall have full authority to draw all orders on the funds of this Association necessary for the payment of the same provided always that said orders must be approved by the auditors. 20

It was moved by John F. Harned and seconded by John Ruhl, that the law be adopted, which was unanimously agreed to.

June 27, 1914.

A meeting called by the Trustees of the Death Benefit Fund Association was held in Cincinnatus Hall on above date.

The meeting was called to order at 8.15 o'clock, Samuel Harris in the chair. There were 105 Circles and Homes represented. 30

Supreme Trustee, Henry I. Yohn, then addressed the members present, outlining the object of the Association, fully explaining what was proposed to be done with the excess dues of former members of Division 1.

He was followed by Supreme Trustee, Charles M. Bacon, who gave a history of the Fund touching upon the decision of the Court, explaining the benefit to the members who were paying excess dues and by keeping the amount intact, after which Frank W. Tussey of New Jersey moved that the action of the Trustees be approved.

William L. Young moved to amend by adding that each Delegate report to their Circle and Home, and then report action on same to the Supreme Circle.

Remarks were made by Frank Deal, Wm. Jackson, George P. Hoffman of New Jersey, John Ruhl, Kathryn Fritz and others of Pennsylvania. A vote being taken on William L. Young's amendments, resulted as follows:

Yeas—Circles 2, 4, 11, 36, 46 and 49 of New Jersey, all others voting nay.

The motion of Frank W. Tussey was unanimously agreed to.

20 George H. Derr of Circle 41, of Pennsylvania, desired to be recorded as refusing to vote.

Communications were received from Circle 49 of Pennsylvania, Circle 6 and Home 4 of Delaware, and Circle 1 of Connecticut, endorsing the action of the Trustees.

Philadelphia, March 25, 1914.

30 On account of the adverse decision of Vice Chancellor Leaming of Camden, New Jersey, against the interest of the members of Division 1, the Trustees of the Supreme Circle called a meeting of the officers of the Supreme Circle and several other members who were directly interested. The meeting was held at Dooners Hotel, Tenth Street above Chestnut.

The following Brothers were present:

P. S. W.—George W. Heinecke,	Circle	48, Pa.	
S. W. —William M. Hearn,	“	2, Del.	
S. J. —Samuel Harris,	“	6, Pa.	
S. F. —Thomas L. Gage,	“	22, N. J.	
S. S. K.—H. B. Walter,	Home	44, Pa.	
S. T. —George W. Dannenhauer	Circle	4, “	
S. H. —Albert L. Welsh,	“	38, “	
S. W. D.—John A. Bensel	“	7, N. J.	
W.W.N.—John H. W. Thrush	“	1, D. C.	
Clerk —John Ruhl	Home	38, Pa.	10
Trustees Henry I. Yohn,	Circle	107, “	
Charles M. Bacon	“	49, “	
Hilton Taylor	“	3, N. J.	
Attorney John F. Harned	“	3, “	
G. E. W.—Chris. A. Leng	“	44, Pa.	
Davis W. Doan	“	17, N. J.	
Thomas F. Dunn	“	12, Del.	
John R. Wills	“	28, Pa.	
Wharton F. Lafferty,	Circle	87, Pa.	
Charles F. Klufkee	“	53, “	20

At 3.15 o'clock Supreme Trustee, Henry I. Yohn, called the meeting to order stating the object for which the Brothers had been called together. He then read the following paper which had been prepared by John F. Harned:

Laws of the Death Benefit Fund Association.

—:0:—

Members. 1. All members of the Death Benefit Fund of the Supreme Circle Brotherhood of America, who are at this time paying the graded 30 rates of dues as heretofore established by the Supreme Circle and herein particularly set out, and all members of the Death Benefit Fund of the Brotherhood of America who may hereafter agree to pay the graded rate of dues, shall be members of

this association and shall be entitled to all of its benefits. And when any member shall cease to pay the graded rate of dues he shall cease to be a member of this association and shall lose all benefit and advantage provided for by these laws.

2. The association hereby guarantees to every member of this association the complete performance of the agreement made by the Supreme Circle for the payment of the Death Benefit Fund of five hundred dollars.

10 Trustees. 3. The affairs of this association shall be managed by a Board of three trustees to be elected in the first instance at a meeting called for that purpose on the _____ day of April, 1914, at eight o'clock in the evening at the office of the Supreme Circle in the City of Philadelphia and thereafter at the annual meeting of the association to be held at the same time and place as the Supreme Circle.

20 4. Each member of this association hereby agrees to contribute and pay into the Treasury of this association a monthly sum equal to the amount provided for in the graded rate of dues established by the Supreme Circle and the flat rate of fifty cents in addition to the fifty cents which is paid to the Death Benefit Fund of the Supreme Circle.

5. The officers of this association shall be President, Secretary, Treasurer and three Trustees, who shall serve without pay.

30 6. The graded rate of dues to be paid is as follows: Fifty cents monthly which shall be paid to the Death Benefit Fund of the Supreme Circle and the balance to this association. Said fund with its accumulations shall be held by this association through its Board of Trustees to guarantee the payment of the funeral benefit of five hundred dollars as

provided by the Supreme Circle. No order shall be drawn upon the Treasurer for any other purpose, and said moneys shall be used at any time by said Trustees with the sanction and approval of the officers of the Supreme Circle for that purpose.

7. The affairs of this association shall be subject to the supervision of the Trustees of the Supreme Circle, Brotherhood of America and no investment shall be made or any order drawn upon the fund of the Association without the approval in writing of the Supreme Trustees of the Supreme Circle and they shall exercise the same control over the affairs of this association as they exercise over the funds of the Supreme Circle. 10

8. All investments shall be made in the name of the Trustees who shall hold the same for the sole and exclusive objects herein set out.

9. Whenever it shall be deemed advisable by a majority of the members of this association present and voting at a regular or special meeting called for that purpose, to turn the fund of this association over to the Supreme Circle and the Supreme Circle shall signify its willingness to accept the same in furtherance of the trust herein set out, and it shall be lawful to pay over said income and members to the Supreme Circle, Brotherhood of America and this association shall cease to exist. 20

After which every brother was called upon and expressed his approval of the plan and promised his hearty support. 30

On motion that we proceed to form a permanent association to be known as the Death Benefit Fund Association, which was unanimously agreed to.

On motion we go into the nomination and election of a President, Secretary, Treasurer and three Trustees, which was agreed to

For account refund of dues members
 Stapleton Circle, No. 12, New York—
 Division 2 135 65

We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W. Dannenhauer
 Supreme Treasurer. 10

Approved,
 George W. Heinecke
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Cir-
 cle, Brotherhood of America. One hundred thirty
 five 65/100 Dollars. in full of the above account.

George W. Dannenhauer
 Supreme Treasurer 20

The above Receipt Must be dated and signed by
 the party in whose favor this Voucher Is drawn,
 or by a duly authorized party, and must not be
 detached.

[PERFORATED ON FACE] PAID

No. 16 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund 30
 For Deposit in any Bank.

Philadelphia, March 21, 1913.

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less

than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of excess payments to members admitted prior to March 1, 1910:

C	2, N. J.	18.50
	3,	3.70
	5,	388.90
	7,	733.40
	12,	14.80
10	21,	11.20
		————— 1,170 50

We certify the above to be correct and authorize its payment.

Henry I. Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

20 Approved,
George W. Heinecke
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand one hundred seventy 50/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

30 The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 17 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, March 21, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions 10
 given below in red ink.

For Refund to members Division 1 ad-
 mitted since March 1, 1910:

C 2, U. J.	78.70	
3,	114.63	
4,	5.40	
7,	154.76	
8,	118.03	
12,	.45	
14,	34.80	
	<hr/>	506 77 20

We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 George W. Heinecke 30
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,

Brotherhood of America. Five hundred six 77/100 Dollars. in full of the above account.

Geo W Dannenhauer
Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

10

No. 18 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, March 21, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,

20

Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of excess payments to members of Division 2:

C	2, N. J.	2.40	
	3,	15.90	
30	6,	24.90	
	7,	14.40	
	12,	.40	
	14,	249.60	
	21,	50.40	
		<hr/>	358 00

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

George W. Heinecke
Supreme Washington.

10

H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Three hundred fifty eight
00/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached. 20
[PERFORATED ON FACE] PAID

No. 19 The SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, March 26, 1913. 19
To George W. Dannenhauer, Supreme Treasurer,

Dr. 30

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues members Division 1 admitted since March 1, 1910:

	Lafayette	Circle, 1, Pa.	12.00
	Kensington	Circle, 4, Pa.	120.30
	Montgomery	" 10, "	2.25
	Marion	" 16, "	175.85
	Chosen Friends	" 36, "	156.45
	Champion Star	" 112, "	257.90
	Bloomfield	Home, 15, N. J.	106.81
	Truth	Home, 20, N. J.	34.20
10	Trenton	" 26, "	63.68
	Welcome	" 1, Conn.	5.20
	L. M. Keller	Home 2, "	77.82
	Mountain	" 3, "	51.57
	Independence	" 4, "	79.15
	Alpha	" 1, N. Y.	14.95
			————— 1,158 13

We certify the above to be correct and authorize its payment.

20

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

George W. Heinecke
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

30 Received 19 of The Supreme Circle,
Brotherhood of America. One thousand one hundred fifty eight 13/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 20 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.
Philadelphia, March 21, 1913. 19 10
To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues members Division 1, admitted prior to March 1, 1910:—

Lafayette	Circle, 1, Pa.	406.60	20
Washington	“ 3, “	29.60	
Kensington	“ 4, “	1,003.05	
Freedom	“ 7, “	312.	
Montgomery	“ 10, “	661.15	
Marion	“ 16, “	414.90	
Chosen Friends	“ 36, “	650.75	
Champion Star	“ 112, “	475.00	
Bloomfield	Home, 15, N. J.	764.00	
Truth	Home, 20, N. J.	129.90	
Betsy Ross	“ 23, “	139.65	30
Trenton	“ 26, “	939.50	
Welcome	“ 1, Conn.	373.15	
L. M. Keller	“ 2, “	592.30	
Mountain	“ 3, “	453.85	
Independence	“ 4, “	222.95	

Alpha	“	1, N. Y.	64.50
Dolly Madison	“	1, D. C.	69.50
			————— 7,702 35

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

10

Approved,

George W. Heinecke
 Supreme Washington.

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Seven thousand seven hundred two 35/100 Dollars. in full of the above account.

20

George W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 21 THE SUPREME CIRCLE Reserve
 30 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, March 26, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Company,
 will pay this Voucher when signed by not less than

four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues members of Division 2:—

Washington	Circle, 3, Pa.	12.05	
Kensington	“ 4,	26.	
Chosen Friends	“ 36,	112.50	
Champion Star	“ 112,	17.	
Lydia Darrah	Home 1, N. J.	74.20	
Bloomfield	“ 15,	7.50	
Trenton	“ 26,	36.70	10
Welcome	“ 1, Conn.	47.60	
		<hr/>	333.55

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer. 20

Approved,

George W. Heinecke
 Supreme Washington.

H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Three hundred thirty
 three 55/100 Dollars. in full of the above account.

Geo W. Dannenhauer
 Supreme Treasurer 30

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

No. 22 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, March 31, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Company
 will pay this Voucher when signed by not less than
 four of the Authorized Officers of the Supreme Cir-
 cle, and receipted in accordance with directions given
 10 below in red ink.

For refund of dues for account members
 admitted prior to March 1, 1910:—

C 22, Pa.	111.65	C 82, Pa.	363.20
31,	331.	84,	300.75
32,	519.	11, N. J.	2124.90
37,	243.30	25,	14.80
67,	823.55	29,	286.65
69,	40.70	34,	129.50
68,	73.10	35,	618.45
20 71,	524.90	40,	1264.95
80,	191.65	H 27,	107.40

8069 45

We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

30

Approved,
 George W. Heinecke
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle, Brotherhood of America. Eight thousand sixty nine 45/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

10

No. 23 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, March 31, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Com- 20
pany, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund account members Division 1
admitted since March 1, 1910:

C 31, Pa.	59.15	C 84, Pa.	101.70	
32,	42.50	11, N. J.	76.75	
37,	57.40	24,	11.80	
67,	340.55	29,	2.40	30
68,	19.33	35,	6.00	
71,	83.65	37,	22.50	
80,	77.45	40,	426.93	
82,	33.00	H 27,	31.70	

1392 81

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
George W. Heinecke
10 Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand three hundred ninety two 81/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

20 The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 24 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, March 31, 1913. 19
30 To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members Division 2:—

C 31, Pa.	8.50	C 29, N. J.	44.30
67,	7.50	34,	.10
69,	40.80	37,	18.65
71,	76.75	40,	244.80
82,	12.40	41,	198.90
11, N. J.	81.35	H 27,	121.80
24,	303.15		———— 1664 25
25,	505.25		

We certify the above to be correct and authorize its payment. 10

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 George W. Heinecke
 Supreme Washington.
 H B Walter 20
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. One thousand six hundred sixty four 25/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached. 30

[PERFORATED ON FACE] PAID

No. 28 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, May 7 1913 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions 10 given below in red ink.

For Refund of dues to members of Division 2:

C 2, Pa.	300.00	C 91, Pa.	55.40	
5	13.60	93,	96.95	
6	232.05	107	13.60	
8	480.15	109	221.60	
11	589.60	115	186.55	
12	617.55	116	144.80	
81	18.60		—————	2995 10
89	24.65			20

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
George W. Heinecke 30
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Two thousand nine hun-

dred ninety five 10/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

10

No. 29 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, May 7, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

20

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues to members of Division

1 admitted prior to March 1, 1910:

	C 2, Pa.	28.30	C 81, Pa.	50.80	C110 Pa.	16.20
	5	314.10	85	304.75	111	440.25
30	6	16.70	87	970.15	117	203.90
	8	311.80	88	150.05	125	554.20
	11	11.20	89	29.60	129	90.05
	12	23.20	91	507.75		_____
	78	171.55	94	527.55		
	79	22.15	107	635.85		5,380 10

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,

George W. Heinecke
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

10

Received 19 of The Supreme Circle,
 Brotherhood of America. Five thousand three hundred eighty 10/100 Dollars. in full of the above account.

George W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

20

No. 30 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, May 7, 1913. 19

To George W. Dannenhauer, Supreme Treasurer, 30
 Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues to members of Division
1 admitted since March 1, 1910:—

C 2, Pa.	83.73	C 85, Pa.	113.54	C110, Pa.	35.56
5	16.55	87	117.85	111	61.75
6	79.05	88	57.00	114	21.50
8	142.86	89	15.03	115	38.60
11	89.15	91	67.60	116	39.50
12	83.91	93	39.05	117	12.20
78	67.93	94	93.03	125	21.50
79	19.17	107	138.46	129	4.00
10 81	7.80	109	14.10		
					1,480 42

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

20 Approved,
George W. Heinecke
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand four hundred eighty 42/100 Dollars. in full of the above account.

30 George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 31 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, May 7, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund of dues to members of Division 2		10
Gen. Phil Sheridan Circle, No. 2, Pa.	.90	
Jefferson Circle, No. 12, Pa.	.29	
Nanticoke Circle, No. 114, Pa.	69.90	
		71 09

We certify the above to be correct and authorize
 its payment.

Henry I Yohn	
Hilton Taylor	
C. M. Bacon	20
Supreme Trustees.	
Geo W Dannenhauer	
Supreme Treasurer.	

Approved,
 George W. Heinecke
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received	19	of The Supreme Circle,	
Brotherhood of America. Seventy one 09/100 Dol-			
lars. in full of the above account.			30
		Geo W Dannenhauer	
		Supreme Treasurer	

The above Receipt Must be dated and signed by the
 party in whose favor this Voucher Is drawn, or by a
 duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 32 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, May 28, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 10 given below in red ink.

For Refund to members Division 2

C 2, Pa.	240.30
36,	43.00
A. Fenton, Pa.	11.20
E. D. Aitken, N. J.	11.20
A. J. Price, N. J.	11.20
C 40, N. J. (Pine)	1.60
	318 50

We certify the above to be correct and authorize
 20 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.

30 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Three hundred eighteen
 50/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 33 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, May 28, 1913. 19 10
To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members Division 1 admitted prior to March 1, 1910
C 2, Pa.

12.30 20
12 30

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved, 30
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.
Received 19 of The Supreme Circle,

Brotherhood of America. Twelve 30/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

10

No. 34 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, June 2, 1913.

To George W. Dannenhauer, Supreme Treasurer,
Dr.

20 The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 2

C 13, Pa.	220.50		
38,	12.40		
39,	7.75		
40,	12.80		
41,	59.20		
30 47,	3.40	C 1, Conn	13.60
107,	27.40	2, N.Y.	359.65
3, Del.	8.00	2, "	
9,	2.50	Excess	
11,	483.20	payments	1.95
			1212 35

We certify the above to be correct and authorize its payment.

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

10

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand two hundred twelve 35/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached. 20
[PERFORATED ON FACE] PAID

No. 35 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, June 2, 1913. 19
To George W. Dannenhauer, Supreme Treasurer,

Dr. 30

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund of dues to members of Division

1 Admitted since March 1910

C 13, Pa.	23.15	C 1, Del.	7.80	C 2, Conn.	139.04
21,	121.83	2,	58.75	3,	6.75
38,	350.83	3,	10.35	4,	19.43
39,	41.15	5,	3.58	5,	9.70
40,	16.05	7,	75.45	8,	178.05
41,	117.60	11,	7.80	2, N.Y.	112.96
47,	41.92	12,	56.05	1, Va.	31.95
48,	97.85	15,	7.50	H 13, Pa.	88.18
10 59,	44.83	1, Conn.	80.47	1, Del.	13.95
					1762 97

We certify the above to be correct and authorize its payment.

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

20 Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand seven hundred sixty two 97/100 Dollars. in full of the above account.

30 Geo W Dannenhauer
Supreme Treasurer
The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 36 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, June 2, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com- 10
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund to Division 1 members admitted
 prior to March 1, 1910

C 13, Pa.	435.30	C 1, Del.	268.65	
38,	876.10	2,	451.95	
39,	259.35	3,	305.55	20
40,	517.05	5,	57.95	
41,	239.35	6,	65.05	
47,	743.90	7,	338.05	
48,	503.15	12,	259.20	
59,	331.40	15,	225.70	
At Large	27.25	1, Conn.	1228.30	
C 2, Conn.	1055.40	H 2, Pa.	133.00	
3,	211.70	13,	234.10	
4,	222.35	1, Del.	48.45	
5,	176.85	3,	90.65	30
8,	241.75	4,	88.70	
2, N. Y.	38.95			
1, Va.	221.05			
2,	9.90			
At Large	46.40			9952 50

We certify the above to be correct and authorize its payment.

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.

10 H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Nine thousand nine hundred fifty two 50/100 Dollars. in full of the above account.

Geo W. Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a
20 duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 37 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, June 11, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
30 Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to Division 1 members admitted since March 1, 1910

C 49, Pa.	310.56	
50,	30.66	
61,	65.45	
62,	19.87	
100,	8.40	
4, Del.	71.25	
1, D. C.	41.70	
		547 89

We certify the above to be correct and authorize its payment. 10

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

Wm M Hearn

Supreme Washington.

H B Walter

20

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Five hundred forty seven
89/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

30

No. 38 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, June 11, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less
than four of the Authorized Officers of the Supreme
10 Circle, and receipted in accordance with directions
given below in red ink.

For Refund to Division 1 members admitted
prior to March 1, 1910

C 49, Pa.	1388.05	C 9, Conn.	48.20
50,	53.85	10, N. Y.	156.70
61,	206.15	1, D. C.	226.55
62,	111.00	At Large	
		N. J. H.	.60
100,	13.85		
20 101,	8.30		
4, Del.	129.65		2343 70

We certify the above to be correct and authorize
its payment.

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
30 Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Two thousand three hun-

dred forty three 70/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 39 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund 10
For Deposit in any Bank.

Philadelphia, June 11, 1913. 19
To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 2		20
C 49, Pa.	13.60	
4, Del.	212.80	
	<hr/>	226 40

We certify the above to be correct and authorize its payment.

Henry I Yohn
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer. 30

Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,

Brotherhood of America. Two hundred twenty six
40/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the
party in whose favor this Voucher Is drawn, or by a
duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

10

No. 40 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, June 23, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less
than four of the Authorized Officers of the Supreme
20 Circle, and receipted in accordance with directions
given below in red ink.

For Refund to Division 1 members admitted
since March 1, 1910:

C 66, Pa.	23.60	H 19, Pa.	59.61	H 41, Pa.	22.98
95,	172.83	21,	13.70	44,	9.73
47, N. J.	4.80	26,	21.15	50,	2.49
51,	50.69	27,	9.00	51,	52.25
14, Del.	64.80	32,	42.14	52,	4.43
1, Md.	14.50	33,	46.60	53,	11.00
30 H 4, Pa.	76.68	35,	73.56	56,	10.84
6,	57.18	38,	84.38	57,	65.94
10,	87.03	40,	69.85	1, Md.	2.40
15,	41.33	43,	63.41	2,	11.90

1270 80

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

Wm M Hearn

Supreme Washington.

10

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand two hundred seventy 80/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 41 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, June 23, 1913. 19

To George W. Dannenhauer, Supreme Treasurer, 30
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to Division 1 members admitted prior to March 1, 1910:

C 66, Pa.	365.75	H 27, Pa.	331.95	H 48, Pa.	13.20
95,	55.50	28,	44.45	50,	15.90
14, Del.	570.10	32,	210.05	51,	131.90
H 4, Pa.	473.80	33,	176.70	52,	33.70
6,	63.55	35,	8.25	53,	70.55
10,	190.30	38,	482.35	55,	80.95
15,	310.70	40,	219.25	56,	16.85
19,	267.45	41,	150.75	57,	259.45
10 21,	35.15	43,	283.15	At Large	7.70
26,	91.45	44,	168.05		

5128 90

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

20

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Five thousand one hundred twenty eight 90/100 Dollars. in full of the above
 30 account.

Geo W Dannenhauer
 Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 42 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, June 23, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions 10
 given below in red ink.

For Refund to members of Division 2:

C 66, Pa.	19.20	H 44, Pa.	12.80	
95,	574.25	2, Md.	58.30	
47, N. J.	11.90			
1, Md.	19.40			
H 4, Pa.	41.85			
10,	12.80			
32,	12.80			
38,	13.20			
41,	12.00			20
				788 50

We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved, 30
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,

Brotherhood of America. Seven hundred eighty eight 50/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

10

No. 43 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, July 9, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

20 The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 1 admitted since March 1, 1910:

C 33, Pa.	85.15	C 20, N.J.	39.20	H 45, Pa.	18.00
34,	53.86	30,	111.80	47,	73.66
44,	84.45	50,	9.86	49,	98.47
30 53,	63.04	H 5, Pa.	41.38	16, N.J.	15.30
72,	68.05	18,	44.66	17,	.80
9, N.J.	30.10	25,	26.30	24,	27.30
16,	111.83	30,	56.75	29,	386.53
18,	13.16	39,	43.94		
					<u>1503 59</u>

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington. 10
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand five hundred three 59/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a 20
duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 44 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.
Philadelphia, July 9, 1913. 19
To George W. Dannenhauer, Supreme Treasurer, 30
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members Division 1 admitted to March 1, 1910:

C 33, Pa.	235.55	C 30, N.J.	464.75	H 47, Pa.	39.05
34,	571.55	H 5, Pa.	167.40	49,	134.40
44,	1130.20	17,	174.15	16, N.J.	1.20
53,	580.90	18,	269.10	29,	753.90
72,	349.00	25,	497.65		
16, N.J.	448.55	30,	400.60		
18,	9.25	39,	206.35		
19,	272.05	45,	53.40		

10

6759 30

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,

20 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Six thousand seven hundred fifty nine 30/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

30 The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 45 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, July 9, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com- 10
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund to members of Division 2

C 33, Pa.	25.60	C 18 N. J.	
Excess payment	.10	Excess payment	.32
C 34,	63.00	C 20, ex. "	1.45
44,	109.10	30,	13.60
53,	12.40	32,	
72,	25.60	Excess payment	3.00
9. N. J.		50, ex. "	4.02
Excess payment	4.85	H 17, Pa.	12.40
16,	31.50	18,	219.55
		25,	26.40
		H 39, Pa.	33.60
		45,	17.00
		49,	23.60
		16, N. J.	81.40
		Excess payment	.05
		18,	83.90
		24,	127.30
		29,	122.60
			1042 34

20

30

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
10 Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand forty two
34/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the
party in whose favor this Voucher Is drawn, or by
20 a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 46 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, July 9, 1913. 19
To George W. Dannenhauer, Supreme Treasurer,
30 Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less
than four of the Authorized Officers of the Supreme
Circle, and receipted in accordance with directions
given below in red ink.

For Refund to members of Division 1 admitted since March 1, 1910:

C 14, Pa.	16.65	
43,	44.35	
52,	7.35	
1, N. J.	45.69	
10,	29.36	
H 28,	8.55	
		151 95

We certify the above to be correct and authorize its payment. 10

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.
H B Walter 20
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One hundred fifty one
95/100 Dollars. in full of the above account.

Geo W Dannenhauer
Su. Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID 30

No. 47 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, July 9, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions

10 given below in red ink.

For Refund to members Division 1 ad-
 mitted prior to March 1, 1910:

C 14, Pa.	294.35
43,	14.80
52,	31.45
1, N. J.	3.95
10,	12.95
	————— 357 50

20 We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,

Wm M Hearn

Supreme Washington.

30

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Three hundred fifty seven
 50/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. One thousand seven hundred sixty 87/100 Dollars. in full of the above account.

10 Geo W Dannenhauer
 Supreme Treasurer
 The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 49 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 20 For Deposit in any Bank.
 Philadelphia, July 29, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

30 For Refund to members Division 1 Admitted since March 1, 1910:

C 25, Pa.	173.70	C 23, N. J.	12.50
27,	19.10	27,	4.60
55,	125.39	31,	7.20
58,	2.40	36,	221.40
74,	30.10	43,	71.32

75,	144.91	44,	71.20	
15, N. J.	78.75	46,	111.60	
17,	33.14	48,	35.65	
22,	166.22	49,	162.00	
C 3, N. Y.	42.45	H 3, N. J.	9.35	
H11, Pa.	95.10	5,	57.55	
12,	.95	6,	2.70	
23,	6.30	8,	1.20	
24,	77.10	11,	9.60	
34,	46.05	12,	20.30	
42,	35.18	14,	31.95	10
46,	46.25	2, Del.	10.80	
59,	40.16	5,	72.45	
			—————	2,076 62

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer 20
 Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Two thousand seventy six
 62/100 Dollars. in full of the above account.

Geo W Dannenhauer 30
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

No. 50 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 (For Deposit in any Bank.
 Philadelphia, July 29, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 10 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund to members Division 1 admitted
 prior to March 1, 1910:

	C 25, Pa.	1715.00	C 15, N. J.	75.50
	27,	111.00	17,	418.85
	35,	437.35	22,	504.30
	55,	46.05	27,	182.10
	58,	100.50	31,	35.25
20	60,	9.90	36,	250.90
	65,	53.20	43,	138.75
	75,	612.50	46,	674.40
	86,	.25	48,	29.30
	124,	17.95	49,	9.45
	C 3, N. J.	331.30	H 4, N. J.	88.50
	H 11, Pa.	74.60	5,	473.30
	12,	14.80	8,	187.85
	22,	68.45	11,	288.10
	23,	354.75	12,	12.95
30	24,	101.50	14,	16.00
	34,	22.60	25,	4.25
	42,	274.40	5, Del.	127.45
	46,	12.95		
	3, N. J.	56.20		
				————— 7,932 45

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington. 10
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Seven thousand nine hun-
dred thirty two 45/100 Dollars. in full of the above
account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached. 20
[PERFORATED ON FACE] PAID

No. 51 THE SUPREME CIRLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.
Philadelphia, July 29, 1913. 19
To George W. Dannenhauer, Supreme Treasurer, 30
Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less
than four of the Authorized Officers of the Supreme
Circle, and receipted in accordance with directions
given below in red ink.

For Refund to members of Division 2:

C 25, Pa.	64.25	C 23, N. J.	13.30
27,	65.80	27,	330.40
55,	186.40	36,	324.80
74,	218.30	43,	284.10
75,	8.50	44,	45.05
86,	34.10	46,	199.10
15, N. J.	387.70	48,	238.80
17,	602.25	49,	459.45
22,	185.55	H 11, Pa.	476.30
10 H 12, Pa.	77.35	H 5, N. J.	62.25
22,	290.25	10,	3.20
23,	13.15	11,	163.45
24,	133.00	12,	18.25
34,	62.30	14,	196.20
46,	17.70	2, Del.	241.90
59,	118.90	5,	49.00
2, N. J.	256.20		
3,	235.85		
			6,063 10

We certify the above to be correct and authorize
20 its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.

30 H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Six thousand sixty three
10/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

Brotherhood of America. Thirty four 14/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

10

No. 53 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, August 30, 1913.

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme

20 Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 1 admitted since March 1, 1910:

C 28, Pa.	327.18	
H 3, "	44.80	
20, "	.45	
		372 43

We certify the above to be correct and authorize its payment.

30

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Three hundred seventy
 two 43/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the 10
 party in whose favor this Voucher Is drawn, or by
 a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 54 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, August 30, 1913. 19 20
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund to members of Division 1 ad-
 mitted prior to March 1, 1910:

C 28, Pa.	825.65	30
H 1, "	280.50	
3, "	112.50	
20, "	54.80	
9, N. J.	135.70	
	————	1,409 15

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

10 Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One thousand four hundred nine 15/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

20 The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 55 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, August 30, 1913. 19

30 To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 2:		
C 28, Pa.		114.30
H 1, "	54.05	
Excess Payment—Hudson	.25	
	————	54.30
H 3, Pa.		137.30
20, "		28.90
9, N. J.		85.40
		———— 420 20

We certify the above to be correct and authorize its payment. 10

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter 20
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Four hundred twenty
 20/100 Dollars. in full of the above account.

/ Geo W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID 30

No. 56 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, September 29, 1913.

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions

10 given below in red ink.

For Refund to members Division 1 ad-
 mitted since March 1, 1910:

C 63, Pa.	40.97	H 8, Pa.	25.50
64,	22.20	9,	122.87
90,	110.31	29,	13.80
97,	67.77	31,	32.40
98,	127.30	54,	18.30

581 42

We certify the above to be correct and authorize
 20 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.
 30 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Five hundred eighty one
 42/100 Dollars. in full of the above account.

Geo W Dannenhauer
 Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 57 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, September 29, 1913.
 To George W. Dannenhauer, Supreme Treasurer,
 Dr. 10

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 1 admitted prior to March 1, 1910:

C 56, Pa.	46.30	H 8, Pa.	37.20	
63,	498.75	9,	69.85	
90,	9.25	29,	9.25	20
97,	128.15	31,	.40	
			—————	799.15

We certify the above to be correct and authorize its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer. 30

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,

Brotherhood of America. Seven hundred ninety nine
15/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the
party in whose favor this Voucher Is drawn, or by
a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

10

No. 58 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

For Deposit in any Bank.

Philadelphia, September 29, 1913.

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less
than four of the Authorized Officers of the Supreme
20 Circle, and receipted in accordance with directions
given below in red ink.

For Refund to members of Division 2:

C 56, Pa.	98.55	C 97, Pa.	319.50
63,	92.40	Excess	.45-
			319.95
64,	-54.15	C 98,	632.25
Excess	.25	Excess	1.00-
	54.40		633.25
90,	69.35	H 1, Pa.	74.50
30 Excess	1.70	8,	403.75
	71.05	Excess	.05-
		8,	403.75
			403.80
		H 9, Pa.	561.45
		31,	195.40

Excess	2.96	
	<u> </u>	198.36
H29,	241.45	
Excess	.50	
	<u> </u>	241.95
H54,		38.10
		<u> </u>
		2787 76

We certify the above to be correct and authorize its payment.

Henry I Yohn 10
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper. 20

Received 19 of The Supreme Circle, Brotherhood of America. Two thousand seven hundred eighty seven 76/100 Dollars. in full of the above account.

Geo W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID 30

No. 60 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 For Deposit in any Bank.

Philadelphia, Oct. 29, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 10 given below in red ink.

For Refund to members Division 1 ad-
 mitted since March 1, 1910:

6064 Redrow 20F				EJC
C 15, Pa. 23.27	C 45, Pa. 103.45	C 76, Pa. 65.45		
19, 42.95	46, 54.05	77, 9.25		
20, 121.56	54, 114.70	123, 79.11		
23, 176.82	57, 50.24	126, 49.99		
24, 17.80	70, 28.52	130, 152.40		
30, 5.50	73, 16.45			

20 1,111 51

We certify the above to be correct and authorize
 its payment.

Henry I Yohn
 Hilton Taylor
 C. M. Bacon
 Supreme Trustees.
 Geo W Dannenhauer
 Supreme Treasurer.

Approved,
 30 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. One thousand one hun-

dred eleven 51/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 61 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund 10
For Deposit in any Bank.

Philadelphia, Oct. 29, 1913. 19
To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members of Division 1 admitted prior to March 1, 1910: 20

C 15, Pa.	122.56	C 46, Pa.	83.50	C 96, Pa.	1.00
19,	525.25	54,	824.60	123,	13.20
20,	166.10	57,	266.20	126,	22.10
23,	958.45	70,	881.45	128,	10.70
24,	122.10	73,	36.85	130,	421.40
30,	205.15	76,	48.10		
45,	53.20	77,	22.40		4,784.20

We certify the above to be correct and authorize its payment. 30

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W. Dannenhauer
Supreme Treasurer.

Approved,
 Wm M Hearn
 Supreme Washington.
 H B Walter
 Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
 Brotherhood of America. Four thousand seven hun-
 dred eighty four 20/100 Dollars. in full of the above
 account.

10 George W Dannenhauer
 Supreme Treasurer
 The above Receipt Must be dated and signed by the
 party in whose favor this Voucher Is drawn, or by
 a duly authorized party, and must not be detached.
 [PERFORATED ON FACE] PAID

No. 62 THE SUPREME CIRCLE Reserve
 BROTHERHOOD OF AMERICA Fund
 20 For Deposit in any Bank.
 Philadelphia, Oct. 29, 1913. 19
 To George W. Dannenhauer, Supreme Treasurer,
 Dr.

The Industrial Trust, Title and Savings Com-
 pany, will pay this Voucher when signed by not less
 than four of the Authorized Officers of the Supreme
 Circle, and receipted in accordance with directions
 given below in red ink.

For Refund to members Division 2:

30	C 15, Pa. 102.26	C 46, Pa. 314.75	C 96,	2.00
	19, 63.70	54, 206.50	123,	521.30
	20, 26.59	57, 44.20	126,	78.87
	23, 23.20	70, 65.30	128,	29.40
	24, 261.90	73, 282.10	130,	100.70
	30, 97.80	76, 511.25		
	45, 811.85	77, 890.35		4,434 02

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

10

Received 19 of The Supreme Circle,
Brotherhood of America. Four thousand four hundred thirty four 02/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 63 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund
For Deposit in any Bank.

Philadelphia, Oct. 29, 1913. 19
To George W. Dannenhauer, Supreme Treasurer, 30
Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For refund members Division 1 admitted
since March 1, 1910:

C 18, Pa.

7 80

We certify the above to be correct and authorize
its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

10

Approved,
Wm M Hearn
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. Seven 80/100 Dollars. in
full of the above account.

George W Dannenhauer
Supreme Treasurer

20

The above Receipt Must be dated and signed by the
party in whose favor this Voucher Is drawn, or by
a duly authorized party, and must not be detached.
[PERFORATED ON FACE] PAID

No. 64 THE SUPREME CIRCLE Reserve
BROTHERHOOD OF AMERICA Fund

30 For Deposit in any Bank.

Philadelphia, Oct. 29, 1913. 19

To George W. Dannenhauer, Supreme Treasurer,
Dr.

The Industrial Trust, Title and Savings Com-
pany, will pay this Voucher when signed by not less

than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For Refund to members Division 1 admitted prior to March 1, 1910:

C 9, Pa.	35.10	
17,	42.65	
18,	38.20	
108,	11.10	
7, N. Y.	.45	
		127 50 10

We certify the above to be correct and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved,

Wm M Hearn

Supreme Washington.

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America. One hundred twenty
seven 50/100 Dollars. in full of the above account.

George W Dannenhauer
Supreme Treasurer

The above Receipt Must be dated and signed by the party in whose favor this Voucher Is drawn, or by 30 a duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

Approved

Samuel Harris

Supreme Washington.

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America, Trustees of Death Benefit
Fund asso Two thousand nine hundred sixty nine..
..... 80/100 Dollars,
in full of the above account.

10

H B Walter Secy

The above Receipt Must be dated and signed by the
party in whose favor this Voucher is drawn, or by a
duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

No. 2896 THE SUPREME CIRCLE Death
BROTHERHOOD OF AMERICA Benefit Fund
20 For Deposit in any Bank.

Philadelphia, June 27, 1914. 19

To Trustees Death Benefit Fund Association,

B. of A.,

Dr.

The Industrial Trust, Title and Savings Company,
will pay this Voucher when signed by not less than
four of the Authorized Officers of the Supreme Cir-
cle, and receipted in accordance with directions given
below in red ink.

30 For amount payable as per approved claim on file at
Office of the Supreme Circle:

Refund excess payments for June 1914

1948 members at 10¢	194.80
1847 " 25¢	461.75
2055 " 40¢	822.00

1,478 55

Claim No. for death of
Late Member of Circle
Home No. of

We certify the above to be the correct amount of
claim approved and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer. 10

Approved
Samuel Harris
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America, One thousand four hundred
seventy eight 55/100 Dollars,
in full of the above account.

H B Walter Secy 20

The above Receipt Must be dated and signed by the
party in whose favor this Voucher is drawn, or by a
duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

No. 2916 THE SUPREME CIRCLE Death
BROTHERHOOD OF AMERICA Benefit Fund
For Deposit in any Bank. 30

Philadelphia, July 30, 1914. 19
To Trustees, Death Benefit Fund Association,
Dr.

The Industrial Trust, Title and Savings Company,
will pay this Voucher when signed by not less than

four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

For amount payable as per approved claim on file at Office of the Supreme Circle:

Refund of excess dues for July 1914

	1945 members at 10¢	194.50
	1843 " 25¢	460.75
	2053 " 40¢	821.20
	37 " 5¢	1.85
10	44 " 13¢	5.72
	102 " 20¢	20.40
		1,504 42

Claim No. for death of
Late Member of Circle
Home No. of

We certify the above to be the correct amount of claim approved and authorize its payment.

20

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved

Samuel Harris
Supreme Washington.
H B Walter
Supreme Scrollkeeper.

30 Received 19 of The Supreme Circle,
Brotherhood of America, One thousand five hundred
four42/100 Dollars,
in full of the above account. Trustees of Death Ben-
efit Fund Asso

The above Receipt Must be dated and signed by the

party in whose favor this Voucher is drawn, or by a duly authorized party, and must not be detached.

H B Walter Secy

[PERFORATED ON FACE] PAID

No. 2930 THE SUPREME CIRCLE Death
BROTHERHOOD OF AMERICA Benefit Fund 10

For Deposit in any Bank.

Philadelphia, Aug. 26, 1914. 19

To Trustees, Death Benefit Fund Association,

Dr.

The Industrial Trust, Title and Savings Company, will pay this Voucher when signed by not less than four of the Authorized Officers of the Supreme Circle, and receipted in accordance with directions given below in red ink.

20

For amount payable as per approved claim on file at Office of the Supreme Circle:

Refund excess dues August 1914:

1941	members at	10¢	194.10
1839	"	25¢	459.75
2035	"	40¢	814.00
35	"	5¢	1.75
45	"	13¢	5.85
102	"	20¢	20.40

1495 85 30

Claim No. for death of
Late Member of Circle
Home No. of

We certify the above to be the correct amount of claim approved and authorize its payment.

Henry I Yohn
Hilton Taylor
C. M. Bacon
Supreme Trustees.
Geo W Dannenhauer
Supreme Treasurer.

Approved

Samuel Harris

10 Supreme Washington.

H B Walter

Supreme Scrollkeeper.

Received 19 of The Supreme Circle,
Brotherhood of America, One thousand four hundred
ninety five85/100 Dollars,
in full of the above account.

H B Walter Secy

The above Receipt Must be dated and signed by the party in whose favor this Voucher is drawn, or by a
20 duly authorized party, and must not be detached.

[PERFORATED ON FACE] PAID

No. 2971 THE SUPREME CIRCLE Death
BROTHERHOOD OF AMERICA Benefit Fund
For Deposit in any Bank.

Philadelphia, Sept. 30, 1914. 19

To Trustees, Death Benefit Fund Association,

30 Dr.

The Industrial Trust, Title and Savings Company,
will pay this Voucher when signed by not less than
four of the Authorized Officers of the Supreme Circle,
and receipted in accordance with directions given
below in red ink.

EXHIBIT C8.

Voucher No. 16 Reserve Fund, see Ex. C6, page 317.

EXHIBIT C9.

Voucher No. 17 Reserve Fund, see Ex. C6, page 319.

10

EXHIBIT C10.

Voucher No. 18 Reserve Fund, see Ex. C6, page 320.

EXHIBIT C11.

Vouchers, Reserve Fund, see Ex. C6, page 316.

20

EXHIBIT C12.

Vouchers, Reserve Fund, see Ex. C6, page 316.

EXHIBIT C13.

	Vouchers Returned July 1-1912 Settlement #9.	1.00
30	Vouchers Returned Oct 1-1912 Settlement #10	10,000.—
	Vouchers Returned Nov. 26-1912 Settlement #11	809.75
	Vouchers Returned Jan 1-1913 Settlement #12	500 —

Exhibits

387

Vouchers Returned Feb 6-1913 Settlement #13	750 —	
Vouchers Returned Mch 7-1913 Settlement #14	500 —	
Vouchers Returned Apr 3-1913 Settlement #13 to #26 Inc.	22,492 26	
Vouchers Returned June 3-1913 Settlement #27 to #33 Inc.	25 169 41	
Vouchers Returned July 1-1913 Settlement #34 to #42 Inc.	23 234 01	
Vouchers Returned Sept 4-1913 Settlement #43 to #55 Inc.	29 883 64	10
Vouchers Returned Oct 3-1913 Settlement #56 to #59 Inc.	4 274 58	
Vouchers Returned Oct 31-1913 Settlement #60 to #65 Inc.	10 514 23	
Vouchers Returned Dec 4-1913 Settlement #66 to #68 Inc.	9 919 43	
Vouchers Returned Dec 8-1913 Settlement #69 to 70 Inc.	331 51	

Total Vouchers withdrawn out of Reserve Fund	20
	138,379 82

Cost of Satisfying Mortgages.	1 00	
Pay Claims Prior 8/1/12	12,559 75	
Refund Division #2	24 695 02	
Refund Division #1		
Members Prior		
3/1/10	61 929 85	
Refund Division #1		30
Admitted Since		
3/1/10	13 925 11	
	100,549 98	
For Deposit #1 Fund	3 885 19	
For Deposit #2 Fund	6 034 24	

For Deposit #2 Fund	110 50
For Deposit #1 Fund	221 01
Refund to Geo Ledyard Resig- nation	106 25
For Guardian Acct.	11 161 90
For Claims prior to 3/31/1913	3 750 — \$138,379.82

Vouchers drawn out of the Reserve Fund.

10 The Industrial Trust, Title and Savings Company,
in acc't with Bro. of America.
Reserve Fund,
Supreme Circle.

DR.		
Mar. 7, 1913,	Balance on hand,	37,059.23
3/8	C	38.50
13	C	50.
20 4/1	C	482.28
	C	54.
Total Deposits,		37,684.01
Less Cks. Ret'd per list		22,492.26
Apr. 3rd 1913, Balance, O. K.		15,191.75
5	C.	125.
7	C	137.50
10	C	487.50
30 14	C	108.
16	C	37.50
29	C	31.25
5/5	C	500.
5/6	C	8,886.25
9	C	37.50

Exhibits

389

16	C	135.	
17	C	77.	
22	C	100.	
27	C	125.	
31	C	550.	
6/3	C	92.50	
		<hr/>	
	Total Deposits,	26,621.75	
	Less Cks. Ret'd per list,	25,169.41	
		<hr/>	
Jun. 3, 1913,	Balance,	1,452.34	10
6/6	C	300.	
10	C	19,282.15	
11	C	54.	
12	C	100.	
17	C	269.50	
18	C	37.50	
19	C	45.	
6/20	C	11,715.47	
June 30. Interest,		173.87	
		<hr/>	20
	Total Deposits,	33,429.83	
	Less Cks. Ret'd per list,	23,234.01	
		<hr/>	
July 1, 1913,	Balance,	10,195.82	
16	C	8,116.65	
17	C	35.	
30	C	15,232.55	
8/19	C	50.	
20	C	20.	
23	C See a/c H. B. Walter,	30.	30
30	C	2,013.80	
8/4	C	105.	
		<hr/>	
	Total Deposits,	35,768.82	
	Less Cks. Ret'd. per list,	29,883.64	
		<hr/>	

	Sep. 4, 1913,	Balance,	5,885.18
	15	C.	8.10
	10/1	C	4,505.41
	2	C	487.50
		Total Deposits,	10,886.19
		Less Cks. Ret'd per List,	4,274.58
	Oct. 3, 1913,	Balance,	6,611.61
	20	C.	14
10	20	C.	13,778.05
		Total Deposits,	20,403.66
		Less Cks. Ret'd per list,	10,514.23
	Oct. 31, 1913,	Balance	9,889.43
	11/6	C	30.
	10/31	C	125.
	11/11	C	125.
20		Total Deposits,	10,169.43
		Less Cks. Ret'd per List,	9,919.43
	Dec. 4, 1913,	Balance,	250.00
	Dec. 6,	Int to date,	81.51
		Total Deposits,	331.51
		Less Cks. Ret'd per list,	0
	Dec. 8, 1913,	Balance,	331.51
30.		Total Deposits,	331.51
		Less Cks. Ret'd per list,	331.51

EXHIBIT C14.

DEATH BENEFIT FUND.

Receipts paid to Treasurer.

Balance on hand December 31, 1912,	\$13,886.62	
Death Benefit Fund dues,	114,156.57	
Delinquent dues,	5,611.68	
Registery fees,	191.00	10
Designation fees,	30.10	
Fines,	7.25	
Treasurer's bank account,	462.81	
Supreme Scroll Keeper's bank account,	11.41	
Postage returned from Circle 114, Pa.,	1.54	
Refund expenses investigating claims,	26.94	
Transferred from Reserve Fund,	103,330.64	
	<hr/>	
	\$237,716.56	

20

Expenditures.

252 death claims at \$500.00	\$126,000.00	
4 death claims at 250.00	1,000.00	
4 death claims at 200.00	800.00	
1 death claim at 226.90	226.90	
1 death claim at 100.00	100.00	
1 death claim at 103.45	103.45	
1 death claim at 96.30	96.30	
1 death claim at 87.70	87.70	30
1 death claim at 85.30	85.30	
1 death claim at 50.00	50.00	
Reserve Fund	5,837.46	
Salaries—		
Supreme Scroll Keeper,	350.01	

	Clerk, John Ruhl,	249.00
	Edith Y. Cairnes, Stenographer	125.08
	Extra Clerical services,	182.50
	Supreme Treasurer	50.00
	Three Trustees,	175.00
	Fee Capita Tax, General Fund,	2,533.80
	Excess dues of members ad- mitted prior to March 1, 1910, and paid into Fund of Division 1,	61,929.05
10	Excess dues of members ad- mitted since March 1, 1910, paid into Funds of Division 1	1,053.85
	Excess dues returned to mem- bers of Division 2,	24,695.82
	Returned to members other than Division 1 and 2,	301.49
	Legal	72.60
	Rent	105.00
20	Printing,	48.53
	Care of office,	30.00
	Coal and gas,	45.17
	Téléphone,	6.90
	Insurance Commissioners,	23.00
	Stationery,	5.75
	Investigating claims,	35.23
	Office Expenses,	26.11
		<hr/> 226,489.23
30	Balance on hand December, 31, 1913	11,227.33

EXHIBIT C15.

IN CHANCERY OF NEW JERSEY.

Between	}	On Bill, etc. Order for Injunction.	10
Hamlet Poole,			
Complainant,			
and			
Supreme Circle, Brotherhood of America, et al.,			
Defendants.			

This matter coming on to be heard in the presence of Frank S. Katzenbach, Jr., of counsel with complainant, and John F. Harned, of counsel with defendants, and the pleadings and proofs having been read and arguments of the respective counsel having been heard and considered and the court being of the opinion that an injunction should issue restraining the collection of the increased dues; 20

It is thereupon on this twenty-fourth day of May, nineteen hundred and ten, by Mahlon Pitney, Chancellor of the State of New Jersey, ordered, that an injunction do issue in this cause, restraining the defendants from expelling the complainant or any other member from membership in the Death Benefit Fund or from striking the name of the complainant or any other member from the roll of membership in said Death Benefit Fund for failure to pay 30

the increase in dues to said Death Benefit Fund fixed by the defendant, the Supreme Circle, Brotherhood of America, by its order of December 1, 1909, until the further order of this court.

Mahlon Pitney,
C.

Respectfully advised
Edwin R. Walker,
V. C.

10

EXHIBIT D1.

The Supreme Circle
BROTHERHOOD OF AMERICA
[Shield] 2208 Frankford Avenue

H. B. Walter

Supreme Scroll Keeper

Philadelphia, Pa., March 23, 1910.

PROCLAMATION.

20

To all Circles and Homes of the Brotherhood of America.

Greeting:—

Litigation has been commenced in the Court of Chancery of New Jersey seeking to prevent the enforcement of the present Death Benefit Fund Law. The court has refused to restrain the enforcement of the law at this time. You will therefore insist upon the payment of the new rate as prescribed by the Supreme Circle. If the action of the Supreme Circle upon final hearing of the cause is not sustained the excess will be refunded to the members. The large number of deaths at the present time justifies the action of the Supreme Circle and makes it imperative that the new rates should be collected.

30

If any member shall fail to pay full dues the beneficiary in the case of death, will not be paid until after the determination of the present litigation, which we are informed by counsel will be a long time. As the method of collection by the Supreme Circle makes it difficult to ascertain who has and who has not paid full dues, it is important that each Circle and Home should see to it that the full amount due by it is paid each month, thereby avoiding delay in the adjustment of death claims.

The Supreme Trustees upon advice of Counsel 10 have decided upon a line of action in accordance with the foregoing Proclamation.

Given under our hand and the Seal of the Brotherhood this Twenty-third day of March, 1910.

(Seal)

Thos. J. Schafer
Supreme Washington.

Attest:

H. B. Walter.
Supreme Scroll Keeper.

20

EXHIBIT D2.

9/14/15.

	Membership	Receipts	Expenses	Loss	
Oct. 1909	20621	123,726.00	132,759.15	9,033.15	30
3 months					
Dec. 1909	20362	30,543.00	30,653.67	110.67	
Dec. 1910	18220	109,320.00	144,129.80	34,809.80	
Dec. 1911	17492	104,952.00	126,573.76	21,621.76	

Dec. 1912	16892	101,352.00	145,782.04	44,430.04
Dec. 1913	16045	96,270.00	138,810.51	42,540.51
Taking the membership as of October 1909				20621
With a receipt of \$6.00 per member making				\$123,726.00
Expenses for the year				\$132,759.15
Loss for year				\$ 9,033.15
Loss for 7 years				\$ 63,232.05

10

EXHIBIT D3.

Pennsylvania Circles.
Drawn from Reserve Fund

		Division 1		Division 2	
	Circle	Dues of Members since March 1910	Excess payments members admitted prior to March 1910	Excess payments refunded	Total
20	1	12.00	406.60		418.60
	2	83.73	28.30	300.90	112.03
			12.30	240.30	252.60
	3		29.60	12.05	41.65
	4	120.30	1,003.05	26.00	1,149.35
	5	16.55	314.10	13.60	344.25
	6	79.05	16.70	232.05	327.80
30	7		312.00		312.00
	8	142.86	311.80	480.15	934.81
	9		35.10		35.10
	10	2.25	661.15		663.40
	11	89.15	11.20	589.60	689.95
	12	83.91	23.20	617.55	724.66
				.29	.29

Exhibits

397

13	23.15*	435.30	220.50	678.95
14	16.65	294.35	112.20	423.20
15	23.27	122.45	102.26	247.98
16	175.85	414.90		590.75
17		42.65	49.20	91.85
18	7.80	38.20		46.00
19	42.95	525.25	63.70	631.90
20	121.56	166.10	26.59	314.25
21	121.83*			121.83
22		111.65		111.65
23	176.82	958.45	23.20	1158.47 10
24	17.80	122.10	261.90	401.80
25	173.70	1715.00	64.25	1952.95
27	19.10	111.00	65.80	195.90
28	327.18	825.65	114.30	1267.13
29				
30	5.50	205.15	97.80	308.45
31	59.15	331.	8.50	398.65
32	42.50	519.		561.50
33	85.15	235.85	25.70	346.70
34	53.86	571.55	63.00	688.41 20
36	156.45	650.75	112.50	919.70
			43.00	43.00
35		437.35		437.35
37	57.40	243.30		300.70
38	350.83*	876.10*	12.40	1,239.33
39	41.15*	259.35*	7.75	308.25
40	16.05*	517.05*	12.80	545.90
41	117.60*	239.35*	59.20	416.15
43	44.35	14.80	99.90	159.05
44	84.45	1130.20	109.10	1,323.75 30
45	103.45	53.20	811.85	968.50
46	54.05	83.50	314.75	452.30
47	41.92*	743.90*	3.40	789.22
48	97.85*	503.15*		601.
49	310.56	1388.85	13.60	1713.01

	50	30.66	53.85		84.51
	52	7.35	31.45	1.70	40.50
	53	63.04	580.90	12.40	656.34
	54	114.70	824.60	206.50	1145.80
	55	125.39	46.05	186.40	357.84
	56		46.30	98.55	144.85
	57	50.24	266.20	44.20	360.64
	58	2.40	100.50		102.90
	59	44.83*	331.40*		376.23
	60		9.90		9.90
10	61	65.45	206.15		271.60
	62	19.87	111.00		130.87
	63	40.97	498.75	92.40	632.12
	64	22.20		54.40	76.60
	65		53.20		53.20
	66	23.60	365.75	19.20	408.55
	67	340.55	823.55	7.50	1,171.60
	68	19.33	73.10		92.43
	69		40.70	40.80	81.50
	70	28.52	881.45	65.30	975.27
20	71	83.65	524.90	76.75	685.30
	72	68.05	349.00	25.60	442.65
	73	16.45	36.85	282.10	335.40
	74	30.10		218.30	248.40
				1.85	1.85
	75	144.91	612.50	8.50	765.91
	76	65.45	48.10	511.25	624.80
	77	9.25	22.40	890.35	922.00
	78	67.93	171.55		239.48
	79	19.17	22.15		41.32
30	80	77.45	191.65		269.10
	81	7.80	50.80	18.60	77.20
	82	33.	363.20	12.40	408.60
	84	101.70	300.75		402.45
	85	113.54	304.75		418.29
	86		.25	34.10	34.35

Exhibits

399

87	117.85	970.15		1,088.00
88	57.00	150.05		207.05
89	15.03	29.60	24.65	69.28
90	110.31	9.25	71.05	190.61
91	67.60	507.75	55.40	630.75
93	39.05		96.95	136.00
94	93.03	527.55		620.58
95	172.83	55.50	574.25	802.58
96		1.00	2.00	3.00
97	67.77	128.15	319.95	515.87
98	127.30		633.25	760.55 10
107	138.46	635.85	13.60	787.91
			27.40	27.40
108		11.10		11.10
109	14.10		221.60	235.70
110	35.56	16.20		51.76
111	61.75	440.25		502.00
112	257.90	475.00	17.00	749.90
114	21.50			21.50
			69.90	69.90
115	38.60		186.55	225.15 20
116	39.50		144.80	184.30
117	12.20	203.90		216.10
123	79.11	13.20	521.30	613.61
124		17.95		17.95
125	21.50	554.20		575.70
126	49.99	22.10	78.87	150.96
128		10.70	29.40	40.10
129	4.00	90.05		94.05
130	152.40	421.40	100.70	674.50
A. Fenton			11.20	11.20 30
100	8.40*	13.85		22.25
101		8.30*		8.30
At Large		27.25*		27.25
1 N. J.	45.69	3.95	1221.80	1,271.44
2	78.70	18.50	2.40	99.60

	3	114.63	3.70	15.90	134.23
	4	5.40			5.40
	5		388.90		388.90
	6			24.90	24.90
	7	154.76	733.40	14.40	902.56
	8	118.03			118.03
	9	30.10		4.85	34.95
	10	29.36	12.95	99.27	141.58
	11	76.75	2124.90	81.35	2,283.
	12	.45	14.80	.40	15.65
10				.80	.80
	14	34.80		249.55	284.35
	15	78.75	75.50	387.70	541.95
				24.34	24.34
	16	111.83	448.55	31.50	591.88
	17	33.14	418.85	602.25	1,054.24
				.85	.85
	18	13.16	9.25	.32	22.73
	19		272.05		272.05
	20	39.20		1.45	40.65
20	21		11.20	50.40	61.60
	22	166.22	504.30	185.55	856.07
	23	12.50		13.30	25.80
	24	11.80		303.15	314.95
	25		14.80	505.25	520.05
	27	4.60	182.10	330.40	517.10
	28				
	29	2.40	286.65	44.30	333.35
	30	111.80	464.75	13.60	590.15
	31	7.20	35.25		42.45
30	32			3.00	3.00
	34		129.50	.10	129.60
	35	6.00	618.45		624.45
	36	221.40	250.90	324.80	796.20
				7.10	7.10
	37	22.50		18.65	41.15

Exhibits

401

38				
39				
40	426.93	1,264.95	244.80	1,936.68
			1.60	1.60
41			198.90	198.90
43	71.32	138.75	284.10	494.17
44	71.20		45.05	116.25
45				
46	111.60	674.40	199.10	985.10
47	4.80		11.90	16.70
48	35.65	29.30	238.80	303.75 10
49	162.00	9.45	459.45	630.90
50	9.86		4.02	13.88
51	50.69			50.69

Delaware Circles.

1	7.80*	268.65*		275.45
2	58.75*	451.95*		510.70
3	10.35*	305.55*	8.00	323.90
4	71.25	129.65	212.80	413.70 20
5	3.58*	57.95*		61.53
6		65.05*		65.05
7	75.45*	338.05*		413.50
9			2.50	2.50
11	7.80*		483.20	491.
12	56.05*	259.20*		315.25
14	64.80	570.10		634.90
15	7.50*	225.70*		233.20

Connecticut Circles.

30

1	80.47*	1,228.30*	13.60	1,322.37
2	139.04*	1,055.40*		1,194.44
3	6.75*	211.70*		218.45
4	19.43*	222.35*		241.78

402

Exhibits

5	9.70*	176.85*		186.55
6				
7				
8	178.05*	241.75*		419.80
9		48.20*		48.20

New York Circles.

	2	112.96*	38.95*	361.60	513.51
	3	42.45	331.30		373.75
10	7		.45		.45
	10		156.70		156.70
	12			135.65	135.65

District of Columbia Circle.

	1	41.70	226.55		268.25
--	---	-------	--------	--	--------

Maryland Circle

20	1	14.50		19.40	33.90
----	---	-------	--	-------	-------

Virginia Circle

	1	31.95*	221.05*		253.
	2		9.90*		9.90
	At Large		46.40*		46.40

Pennsylvania Homes

30	1		280.50	54.30	334.80
				Additional 74.50	74.50
	2		133.00*		133.00
	3	44.80	112.50	157.40	314.70
	4	76.68	473.80	41.85	592.33
	5	41.38	167.40		208.78

Exhibits

403

6	57.18	63.55		120.73
8	c 25.50	37.20	403.80	466.50
9	122.87	69.85	561.45	754.17
10	87.03	190.30	12.80	290.13
11	95.10	74.60	476.30	646.00
12	.95	14.80	77.35	93.10
13	88.18*	234.10*		322.28
15	41.33	310.70		352.03
17		174.15	12.40	186.55
18	44.66	269.10	219.55	533.31
19	59.61	267.45		327.06 10
20	.45	54.80		55.25
21	13.70	35.15		48.85
22		68.45	290.25	358.70
23	6.30	354.75	13.15	374.20
24	77.10	101.50	133.00	311.60
25	26.30	497.65	26.40	550.35
26	21.15	91.45		112.60
27	9.00	331.95		340.95
28		44.45		44.45
29	13.80	9.25	241.95	265.00 20
30	56.75	400.60		457.35
31	32.40	.40	198.36	231.16
32	42.14	210.05	12.80	264.99
33	46.60	176.70		223.30
34	46.05	22.60	62.30	130.95
35	73.56	8.25		81.81
38	84.38	482.35	13.20	579.93
39	43.94	206.35	33.60	283.89
40	69.85	219.25		289.10
41	22.98	150.75	12.00	185.73 30
42	35.18	274.40		309.58
43	63.41	283.15		346.56
44	9.73	169.05	12.80	190.58
45	18.00	53.40	17.00	88.40
46	46.25	12.95	17.70	76.90

Exhibits

	47	73.66	39.05		112.71
	48		13.20		13.20
	49	98.47	134.40	23.60	256.47
	50	2.49	15.90		18.39
	51	52.25	131.90		184.15
	52	4.43	33.70		38.13
	53	11.00	70.55		81.55
	54	18.30		38.10	56.40
	55		80.95		80.95
	56	10.84	16.85		27.69
10	57	65.94	259.45		325.39
	58				
	59	40.16		118.90	159.06
	60				
	At Large		7.70		7.70

New Jersey Homes

	1 N. J.		74.20	74.20
	2		256.20	256.20
20	3	9.35	56.20	235.85
	4		88.50	88.50
	5	57.55	473.30	62.25
	6	2.70		593.10
	8	1.20	187.85	2.70
	9		135.70	189.05
	10			85.40
	11	9.60	288.10	3.20
	12	20.30	12.95	3.20
	14	31.95	16.00	163.45
	15	106.81	764.00	461.15
30	16	15.30	1.20	18.25
	17	.80		7.50
	18			878.31
	20	34.20	129.90	81.45
	23		139.65	97.95
				.80
				83.90
				83.90
				164.10
				139.65

Exhibits

405

24	27.30		127.30	154.60
25		4.25		4.25
26	63.68	939.50	36.70	1,039.88
27	31.70	107.40	121.80	260.90
28	8.55		226.00	234.55
29	386.53	753.90	122.60	1,263.03
E. D. Aitken			11.20	11.20
A. J. Price			11.20	11.20
At Large		.60		.60

Delaware Homes.

10

1	13.95*	48.45*		62.40
2	10.80		241.90	252.70
3		90.65*		90.65
4		88.70*		88.70
5	74.25	127.45	49.00	248.90

Connecticut Homes.

1	5.20	373.15	47.60	425.95	20
2	77.82	592.30		670.12	
3	51.57	453.85		505.42	
4	79.15	222.95		302.10	

New York Homes.

1	14.95	64.50		79.45
---	-------	-------	--	-------

District of Columbia Home

1		69.50		69.50	30
---	--	-------	--	-------	----

Maryland Homes.

1	2.40			2.40
2	11.90		58.30	70.20

EXHIBIT D4.

See Exhibit D3, page 396.

EXHIBIT D5.

- 10 Received of the Supreme Circle, Brotherhood of America, the sum of Eighty-eight thousand eight hundred and ninety-three dollars and thirty-three cents, in mortgages, in payment of excess dues due to the following named members of the Death Benefit Fund.

Ernest C. Maguier and others:

George W. Heinecke

A. L. Welsh

Jno. R. Wills

20

Trustees of Death Benefit
Fund Association.

30

EXHIBIT D6.

POWER OF ATTORNEY.

We, the undersigned, members of
 Circle,
 Home, No. , of
 do each for ourselves, assign, transfer and set over
 unto George W. Heinecke, Albert L. Welsh and John 10
 R. Wills, and their successors in office, as Trustees
 for the Death Benefit Fund Association, all our
 right, title and interest in the excess dues paid by
 each of us respectively to the Supreme Circle, Broth-
 erhood of America, and the Supreme Circle, Broth-
 erhood of America, is hereby required to pay the
 same to them, and for their so doing, this shall be
 their sufficient warrant. Said fund to be used by
 said Association for the continuation of the Death
 Benefit Fund in the manner set out in their By-Laws. 20

Name.

Address.

EXHIBIT D7.

Assignment of Mortgage, see Bill of Complaint,
page 26.

The first part of the book is devoted to a general history of the world, from the beginning of time to the present day. It is written in a simple and plain style, and is intended for the use of the young. The author has endeavored to make it as interesting and instructive as possible, and has given a full and accurate account of the most important events and persons of the world.

