

EYES ON THE BENCH.

HOT TIMES TO FOLLOW SUPREME COURT WHISKY DECISION.

Lynch Ready with a Platoon of 300 Men to Recapture the Shufeldt Plant if the Trust Is Declared Illegal—Why Receiver McNulta Asked for Guards—Mayer's Demurrer Sustained—The Trust Means to Get a Charter Outside of Illinois—Greenbut Rebellious.

If intentions expressed yesterday are carried out the Shufeldt distillery, which five years ago was the object of a conspiracy that startled the country, may again be lifted into notice. Thomas Lynch Jr., son of Thomas Lynch and partner of his father when the latter, as co-owner of the Shufeldt plant, sold it to the trust, said yesterday he would attempt to seize the property if the Supreme Court handed down a decision declaring the trust an illegal corporation.

The original transfer was enforced as to his rights, he said, adding that other people were intending to make a similar move and that he would, if necessary, get the assistance of 300 men in taking possession first. The decision of the Supreme Court is expected during its present term, and the suit, which was fought vigorously partially for that reason, it is said, was disposed of yesterday. This was the bill filed by the Central Trust company for a receiver of the whisky trust on behalf of the bondholders and an injunction to restrain the sale of the property. Judge Showalter decided against it, upholding the demurrer. Edwin Walker gave notice he would file a supplementary bill.

Receiver McNulta's recent application for deputies to guard the distilleries under his charge was based, it is said, on quiet hints that the former owners of the plants were preparing to grab them back. The latter, it developed, had figured out that the effect of an affirmation by the Supreme Court of the judgment of the lower court in the quo warranto case would be to declare that the trust had never legally existed, and consequently never was competent to purchase property. Hence deeds of sales to the old trust would be waste paper. The old owners, so it was said, believed that in the chaos created by the expected decision of the Supreme Court they would not only be able to get the plants but would not be compelled to repay the money or return the stock they had received for them.

It is not known whether the Shufeldt plant was included in the property guarded. It was sold to the trust five years ago, shortly after the development of the startling conspiracy to blow it up, conceived and executed according to testimony by the trust as the final device to force it into the trust's fold. H. H. Shufeldt and Thomas Lynch & Sons were owners of the plant. Young Tom Lynch was violently opposed to the sale, but the property was turned over for a consideration of \$1,600,000 in cash. The trust proceeded to improve the then fine plant, and it has so multiplied improvements that it is now considered one of the model distilleries of the country.

His Fighting Clothes On.

"I never consented to the sale of the Shufeldt distillery," says Tommy Lynch. "I opposed it from the first. It would make an interesting story to tell how attempts were made to drug me and secure my consent. Advantage was taken of me when that property was transferred. I consider that I still have an interest in it. Anyhow, if the Supreme Court decides that the trust never had a right to exist, and thus upsets all its transactions, I am going to try to get my property back. I don't care who knows my intentions, and I'll have 300 friends to help me take it if I need them. I have information that one of two men who have been largely mentioned in this litigation wants the Shufeldt plant if the Supreme Court knocks the company to pieces. He will not be there before I am. I also have information of intentions to take back their property on the part of Cincinnati and Peoria men. I am not interested there, but I am in the Shufeldt, and I am going to make a fight for my property and give notice to that effect. I don't do business in the dark."

The Supreme Court meets at Springfield today. If it does not render a decision in the whisky trust case during the Springfield term it will not do so until October. Mr. Lynch has arranged to be notified by a representative there if the court utters its decision today. The Reorganization committee is equally desirous of hearing what the court finds. Its attorneys have announced the plan of quitting Illinois as a corporate creation of this State as early as possible. Yesterday the date of the transfer was definitely fixed within a few days. Attorney Levy Mayer informed Judge Showalter he would present a bill this week ordering a judicial sale of the property. Referring to one claim made by the trust company to sustain its position that the property was in good condition, inasmuch as Receiver McNulta had been authorized to borrow \$350,000, Judge Showalter said in substance:

The Demurrer Is Sustained.

It is not shown that the receiver has, in fact, borrowed money in pursuance of such order, but if he has it is not clear that the lien of this complainant, which was not a party to and did not consent to such order, is affected by such order in any manner whatever. I do not understand that defendant's franchise has been alienated to the receiver or that such franchise could be alienated at all, except by surrender to the State, or that this court can or will attempt to dissolve the defendant corporation; nor do I consider the covenant to repair, as being a covenant that the defendant may not alienate its property or any part thereof, subject to complainant's mortgage. It does not appear that there has been any neglect to repair or, for that matter, any breach whatever in the covenant in the trust deed. It is not even claimed that any such breach, if there be one, has continued for six months, and this is a condition precedent to any right of entry or any right to a receiver on the part of complainant. There is here no breach of any contract obligation which will authorize an injunction or a receiver.

The receiver, McNulta, now has the custody of the title to the mortgaged property. Not only so, but the receiver has all the property of defendant. I do not see, therefore, how any injunction could aid the complainant or be effective in any way whatever. The demurrer to the bill is sustained.

Edwin Walker, who appeared for the trust company, at once gave notice that he would file a supplementary bill. Interest due June 1 had been defaulted on the bonds, he said. He will insert that in his supplemental bill, which, it is understood, will ask for a foreclosure.

It is not unlikely the expected sensational examination of ex-President Greenbut, Nelson Morris, and P. J. Hennessy before Master in Chancery Booth, arranged to begin this morning, may be postponed. Intimation was given yesterday that the witnesses would refuse to answer questions and that their attorneys would invite the Master to certify their refusals to the court to pass on the questions of contempt.