

LAST EDITION.

DEATH OF THE TRUST

Distilling and Cattle Feeding
Company Is Killed.

TWO YEARS TO WIND UP.

Supreme Court Affirms the Judgment of Ouster.

CORPORATION IS ILLEGAL.

Receiver McNulta Sues Greenhut for an Accounting.

COMPLICATIONS WILL FOLLOW.

The Distilling and Cattle Feeding company, known throughout the length of the land as the whisky trust, was yesterday struck dead by the hand of the Supreme Court. In a decision characterized by vigor of language the court affirms the decision rendered by Judge Gibbons in the quo warranto proceedings instituted against the trust by Attorney-General Moloney, declaring it to be illegal and void and ousting it of its franchises. Every point in Judge Gibbons' finding is sustained and a sweeping and emphatic denunciation and condemnation of trusts, mo-



GEN. JOHN A. McNULTA.
[Receiver for the Trust.]

nopolies, and combines is contained in the decision. Opinions upon the immediate effect of the decision as expressed by the attorneys of the different parties in interest differ widely. All that seems certain is that a cloud of fresh litigation must follow in which the leading features will be a petition for a judicial sale to be filed immediately by the reorganization committee, and actions by the former owners and present lessors of property making up the aggregation of plants in the trust. A small army of Deputy Marshals went into service to resist any forcible attempt on the part of the lessors to seize plants, but their efforts will be made through the courts. A bill to recover the \$504,000 lost in speculation and alleged to have been paid by the trust was filed by Receiver McNulta against Greenhut, Morris, and other directors.

Intimations that the Supreme Court would announce its ruling reached the city Wednesday. They were followed yesterday morning by telegrams from Springfield announcing



JOSEPH B. GREENHUT.
[Ex-President of the Trust.]

positively that the court would act and predicting the nature of its decision. Receiver McNulta and United States Marshal Arnold were among those who were informed. For six weeks Deputy Marshals have been on guard at the distilleries in Receiver McNulta's charge. The reason for this was the threats which lessors have openly expressed to seize the plants in case the Supreme Court declared the trust to be an illegal body.

Both Sides Affect to Be Pleased.

When the decision of the court was received both sides affected to be pleased by it. All they would say was the situation was thrown into confusion. For a week the Reorganization committee has had completed a petition to the court for a judicial sale of the property. The committee said the decision was precisely what it wanted; that it would necessitate the sale of the property at once and make its reorganization an easier matter. The petition, it is understood, will be presented to the court this morning, but it will be met by counter suits there is no doubt.

The lessors, most of whom are unfriendly to the present management, it is said, would be enabled to demand the return of their property. Ex-President Greenhut, it is said, will be in the foremost ranks in this movement, and he will seek to recover the Great Western plant on the theory that a lease made to a corporation declared to be illegal is waste paper. This morning Edwin Walker will present his motion before Judge Showalter for a consolidation with the general litigation of a bill filed by the Central Trust company on behalf of the bondholders—that is, Greenhut and Morris. The question of the jurisdiction of the Federal Court, it is already announced, will be raised. An effort will be made to have Gen McNulta removed and a receiver appointed by the State Court and there fight out the questions which arise over the disposition of the property. It seems unquestionable that a fight against the intention of the Reorganization committee to sell the property to a new corporation will be made. A suit to restrain them from so doing is now pending in the Circuit Court at Peoria.

Levy Mayer Talks on It.

Levy Mayer, attorney for the Reorganization committee, said the way was clear and that no difficulties would attend the disposition of the property required by the decision of the court. He said:

We have been anxiously waiting for this decision and are highly pleased that it has come, and come in the way of an assurance. It removes all obstacles from the way of the Reorganization committee and makes a reorganization

now a matter of but a few days. Attorney-General Moloney has done excellent work. The effect of the decision is to deprive the company of the right to continue business. The statute, however, of this State makes express provision for just such a case as this. It provides in language that the corporation shall continue its corporate capacity during the term of two years for the purpose of collecting the debts and claims due the corporation and selling and conveying the property and effects thereof. The law also provides that the corporation shall have the right to use its corporate name for the above purposes, and that it shall be capable of prosecuting and defending all suits at law or in equity. Receiver McNulta has the right to continue the business until a sale can be effected. The Supreme Court decision makes a sale of the property, which is now in the hands of the Federal Court receiver, inevitable. It is this sale for which the Reorganization committee has been striving ever since Mr. Greenhut was removed from the receivership.

The views that are taken by the other side were expressed by A. H. Veeder, Edwin Walker, and William Burry, the first representing J. B. Greenhut and Mr. Walker Nelson Morris. There is a rocky road before the Reorganization committee according to Mr. Veeder. He said:

Says Leases Are Worthless.

Men who leased ground to the company did not part with the fee to the ground. They executed a lease to a corporation which the court now says is illegal. The lease becomes worthless. I must decline to say anything about Mr. Greenhut's intentions. Under the decision of the Supreme Court the company must stop doing business. Its property belongs primarily to the creditors, and the proceeds remaining after they are satisfied to the stockholders, I presume. It is still chargeable with the lien of the bonds. I think that a bill in equity will have to be filed in a State court, that a State court will have to take charge of everything to settle all these disputes.

Edwin Walker talked in a similar strain.

Gen. McNulta remained at his office all day to receive reports of the condition of affairs at the various distilleries. Concerning the decision of the court he said:

"The decision of the Supreme Court of Illinois has no effect on me as receiver."