

HE BRINGS THE SUIT

ATTORNEY GENERAL OSBRNE
PERMITS THE USE OF THE
NAME OF THE STATE.

PROCEEDINGS BEGUN AT ONCE.

Judge Schenck Files a Writ Against the North Carolina Railroad Company.—Proceedings for the Annulment of the Charter.—The Attorney-General States the Situation.—Judge Schenck is Radiant.

The Attorney-General to a News and Observer reporter last night explained the exact status of affairs:

"Judge Schenck's clients, who are all members of the Farmers' Alliance and Populists, applied to the Attorney-General, in writing, requesting him to bring action against the Southern Railway Company, to enjoin it from taking possession of the property of the North Carolina Railroad, under a lease which had been made by it to the Southern Railway Company. The lease goes into effect January 1st, 1896.

"The Attorney-General declined to bring the action as requested, and assigned as a reason that he believed that the lease was valid, and before obtaining a restraining order, he thought it necessary for him to allege that the lease was invalid, and this he could not do.

"Judge Schenck's clients applied further to the Attorney-General, to bring an action to dissolve the charter of the North Carolina Railroad Company.

"To this the Attorney-General assented, upon leave granted by three Justices of the Supreme Court, signed by the Chief Justice, and Associate Justices Clark and Montgomery.

"The Attorney-General stated that he did not consider it necessary in this proceeding, to allege that the lease was void, or that the North Carolina Railroad Company had no right to make a lease of ninety-nine years.

"But inasmuch as that question had never been settled by a decision of the Supreme Court of this State, and there were decisions of other courts seemingly declaring such leases void, it was his duty to lay the matter before the Supreme Court, in order to obtain a decision upon upon the matter."

Judge Schenck returned to Greensboro yesterday afternoon.

The Judge made this statement of the case:

"At noon to-day the Attorney-General decided to grant the application in the name of John Graham and others, to bring suit against the North Carolina Railroad Company for the annulment of its charter.

"The Attorney-General filed his application for leave to bring suit, before the Supreme Court, and leave was granted, being signed by Judges Faircloth, Clark and Montgomery.

"The Attorney-General then gave leave to us to bring the suit in the name of the State of North Carolina, on relation of John Graham.

"The counsel were not long in taking advantage of their position, and immediately filed a writ against the North Carolina Railroad Company. There is no other defendant."

Judge Schenck was radiant.

He was confident of having won the first skirmish. It was preliminary, but he was happy in seeing the battle begun.

Mr. John Graham, whose name appears as prosecutor, was with him.

Mr. Graham is one of the leading Alliancemen of the State, and a member of the executive committee. He is principal of the Ridgeway High school, in Warren county.

If a suit had been brought for the purpose of obtaining an injunction, the probability is that a bond of \$50,000 would have been required of the plaintiffs. It was well known that they could give no such bond, and it was not thought probable that the Attorney-General would aid them in doing so.

The friends of the railroad do not think the lease will be invalidated, and hoot at the idea that the charter of the North Carolina road will be annulled.

But all the same, the stock has taken a tumble.

A prominent man who has been connected with the railroad said he expected to see a decline of twenty-five per cent. in North Carolina railroad stock.