

Sunbury
Aug. 25 1937

JUSTICE RULES FOR SHIMER IN LOAN CHARGES

Charges of false pretense against George S. Shimer, Sr., former head of the Milton Manufacturing Company and for some years numbered among the most influential residents of Milton were dismissed by Justice of the Peace Lee Francis Lybarger, Jr., of Mifflinburg following a hearing Tuesday afternoon. The charges, preferred by Dr. Mary Wolfe, superintendent of the Laurelton State Village, were the result of negotiations for a loan of \$500 for the purpose of purchasing stock in an effort to regain control of the Milton Manufacturing company, reorganization of which is planned by Mr. Shimer.

Attorney Charles W. Kalp of Lewisburg, nephew of Dr. Wolfe, appeared for the prosecution with Attorney Samuel Gubin of this city representing Mr. Shimer.

The first charge was that on or about July 8 this year the defendant, at the Laurelton State Village, pretended and represented unlawfully that he had options on the capital stock of the Milton company from William C. Dickerman, of New York City and that on the same day, he falsely pretended that Ex-Senator Charles Steele of Northumberland had advanced to him \$500 and that in consideration of his advancement Mr. Steele was to be paid six per cent interest and was also to receive a bonus of 5,000 shares of stock in the reorganized company.

Dr. Wolfe gave her version of the transaction with Mr. Shimer, declaring that it was upon representations which she later found to be false that she had advanced \$500. Under cross examination by Mr. Gubin it was brought out that the transaction had been closed when mention was made of the option on the Dickerman stock, and that Dr. Wolfe had talked on the telephone with Mr. Steele before making the loan, advising him to tell Shimer to come to Laurelton to close the loan.

... to close the loan.
Senator Steele testified to the conversations he had with Shimer and with Dr. Wolfe, declaring that he had arranged the loan as a straight business transaction without the stock bonus feature and with a bond as collateral. He had no desire to extend his business interests, he said, and the stock bonus plan did not appeal to him, he said, and he had so informed Dr. Wolfe.

It was further brought out that Shimer had tendered Dr. Wolfe a receipt in long hand, which was transcribed by a stenographer at the Laurelton Village, this receipt specifying "if, as and when" in the matter of stock options. There was no further discussion of the deal, it was testified, and when the receipt had been executed, Shimer mentioned that he had options on the Dickerman stock. Penn Hastings of Milton was produced as a witness to testify that he had talked by telephone with W. C. Dickerman in New York City shortly after Dr. Wolfe made the loan and had been informed that the stock options alluded to had not been given. On the ground that this was not pertinent to the transaction, since it was mentioned after the loan had been made, and also because it was hear-say evidence, the testimony was ruled out by the justice after objection by Attorney Gubin. A motion to dismiss the charges followed and was granted by Justice Lybarger.

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