



The Indianapolis Times

Fair tonight and tomorrow; slightly cooler tonight.

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POSTAL INSPECTORS TO PROBE ALLEGED SECURITIES RACKET

\$250,000 Loss to Customers of Purported
'Bucket Shop' Here Is Claimed;
Four Employes Hunted.

\$250 FURNITURE IS SOLE ASSET

Investigation Urged in 1931, Better Business
Chief States; Milton D. Ullman,
Firm's Head, Is Dead.

Postal inspectors today were asked to begin the probe of an alleged "bucket shop," Mann & Co., securities dealers, reported to have caused a loss estimated as high as \$250,000 to its customers.

Four employees of the former firm, which had offices at 914 Merchants Bank building, were sought for questioning by federal as well as state of officers.

Louis R. Markun, administrator of the estate of Milton D. Ullman, head of the firm, brought the matter to the attention of the federal inspectors.

After a visit to the company's offices, A. C. Garrigus, Indianapolis postal inspector, said that he would communicate with his superiors in an effort to determine whether the federal government would take action in the probe of the case.

He said if it is shown that a living company official was involved in a federal violation that a case might be made, but that were only an employee was involved that he believed no charges should be brought.

The administrator said that furniture in the offices of the firm, valued at \$250, was the sole known asset of a company that in 1932-1934 did a stock business of \$617,109 with 141 customers throughout small Indiana, Kentucky and Ohio cities.

Probe Asked in 1932

Herbert E. Wilson, Marion county prosecutor, when informed of the alleged machinations of the company, said that action might be taken under the state securities act.

T. M. Overley, manager of the Better Business Bureau of Indianapolis, pointed out today, however, that his bureau has made efforts to have the firm investigated by the state securities commission since late in 1932 and early in 1933, but without avail.

Mr. Overley alleged that the firm's operations were those of a "sell-and-switch" stock brokerage. Customers were solicited over the phone. Stock was purchased for them, he charges, and then the customers were kept so debt with the firm that they were forced to sell the stock and switch to another stock.

Both Mr. Overley and Mr. Markun were unable to find any securities or listing of the purchase of the stocks in the company's safe.

Safe Broken Open

Borough houses in Chicago and New York reported the firm's accounts closed.

Mr. Markun said the safe was broken open by a locksmith in the presence of an employee of the state securities commission.

No securities or stock purchase books were found.

A branch office of the firm in Terre Haute was empty of furniture, it is charged by Mr. Overley, when an investigation was made in that city.

Governor Paul V. McNutt was appealed to by Mr. Overley as far back as the summer of 1933 and a probe was not started, according to Mr. Overley, until July this year.

Mr. Ullman, the firm's head, died July 17 at Methodist hospital, Mr. Markun said.

Financial Statement Denied

Mr. O'Neill demanded a financial statement from the company shortly before Mr. Ullman's death. It was not submitted.

William O'Neill, Indiana securities commissioner, vacationing at French Lick, Ind., said that complaints had been received against the company in 1933, but that they involved out-of-state customers and that investigations were made.

He asserted that the firm had filed the necessary bond and shown the required financial condition to be licensed as a dealer in securities.

"Each time we had a complaint against the company we took it up with Mr. Ullman and the firm settled with the customer," Mr. O'Neill said.

\$86,321 Lost in Year

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Letters written by Mr. Overley to customers revealed a loss of \$86,321 in the year of 1933-1934 to them.

Mr. Overley pointed out that forty-four of the 141 customers were holdovers from the year 1933 and as a consequence estimated that the total losses since the firm began operation in October, 1932, might reach \$250,000 of customers' money.

The customers' list found in the firm's safe shows transactions ranging as high as \$20,000 to \$25,000. Doctors, business men and widows were purchasers of the stock on a margin basis. Greencastle, Greenfield, Winchester, Gary, Spiceland, Bargersville, Lebanon and numerous other Indiana cities are represented in the customers' lists.

INMATE KILLED BY CRAZED MAN

Asylum Patient Wrenches
Bar From Bed, Slays
County Charge.

Seized with a sudden fit of violent insanity an inmate at the Juliette County Hospital for the Insane, today wrenches a three-foot iron bar from a bed in the observation ward and killed another inmate.

The dead man is Daniel Faeling, 63, of 2115 South Belmont avenue, sent to the hospital after a sanity hearing in superior court.

Accused of the murder is Pete Gagris, 63, of 133 Hermann street, admitted to Juliette yesterday from the city hospital psychopathic ward.

Milton Barger, an attendant, heard the noise of the struggle, and rushed into the ward just in time to see the dying man sink to the floor from a terrific blow on the head.

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