

Mrs. Chadwick and members of her family in the park of her Cleveland home: The boys in the cart are Mrs. Chadwick's nephews, sons of Mrs. Daniel Pine, her sister; the young woman on horseback is Mary Chadwick, the daughter of Dr. Leroy S. Chadwick; Mrs. Chadwick sits in the phaeton, and Emil Hoover, her son, reclines in the automobile

The Strange Case of Mrs. Chadwick

The Story of a Woman who Borrowed a Million Dollars without Security, Duped Business Men for Years, and Caused the Failure of a National Bank

IN one of the comic operas now playing in New York the leading lady enters a stockbroker's office and asks the broker for a large sum of money.

"But you must give me some security," says he. "Security?" she sighs. "Oh, dear! Well—give me a pencil." Whereupon she scribbles rapidly across a sheet of paper and reads the result aloud: "I promise to pay you \$5,000,000—Andrew Carnegie."

"Are you sure this is genuine?" asks the broker. "Of course I am," replies the leading lady, with no little hauteur. "Didn't you see me write it?" And the broker humbly counts out the money.

Mrs. Cassie Chadwick of Cleveland, Ohio, also presents securities. She also offers a note bearing the name "Andrew Carnegie," and promising to pay several millions of dollars. When a banker suggests that one might possibly examine her securities, she looks injured. "Would you doubt me?" The veteran banker would not for a moment. He accepts the securities and locks them up in his vaults, giving his receipt, which assures whomsoever she may show it to afterward that the securities are worth \$5,000,000. To another banker she presents equally tangible signs of financial stability, and he promptly turns over enough money to wreck his bank. These transactions she engages in successfully, not with one or two, but many men; not in one audacious *coup*, but quietly, calmly, through periods covering many years. The money Mrs. Chadwick got was not stage money; the men she duped were real and hard-headed men. The bank she wrecked, the old banker she ruined, the depositors she fleeced, the hundreds of thousands of dollars she got away with, all are real. It all sounds so impossible that it seems as though this too must be a joke. It may have its comic side, but it certainly isn't comic opera.

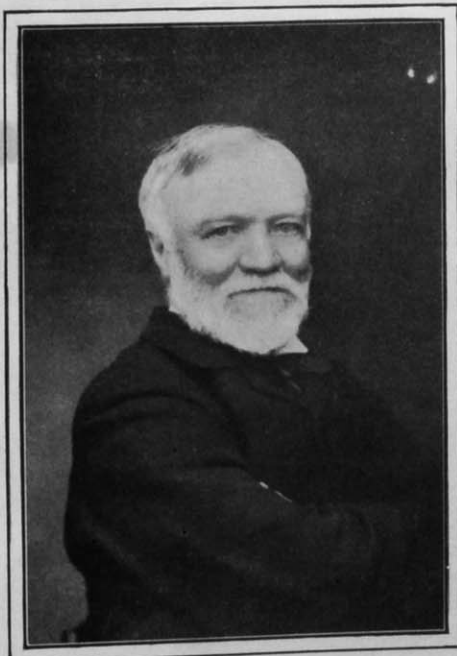
Until the now notorious Mrs. Chadwick is tried on some of the several indictments under which she is held, it will be impossible to estimate with any exactitude the total amount of money that she "got away with." The precise figures will never be known. Probably Mrs. Chadwick does not know them herself. As this is being written, reports and rumors of new or long-forgotten victims, of amounts that were loaned to her, of banks or individuals that suspected her and escaped, or admit rather blushing that they were taken in, appear each morning in the daily press. Roughly added up, the claims filed against her, and the amounts mentioned by victims in various places, reach somewhere in the neighborhood of a million dollars. The alleged securities with which this money was obtained, and which is now believed to be worth absolutely nothing, had a paper value of something like \$15,000,000. The largest sums which Mrs. Chadwick is now known to have obtained were the loans she got from the Citizens National Bank of Oberlin, Ohio, and from Herbert D. Newton of Brookline, Massachusetts. From the Citizens National, which was obliged to close its doors because of it, she obtained \$240,000, about four times the bank's capital. From old President Beckwith and Cashier Spear, personally, she secured \$102,000. Mr. Newton gave her slightly less than \$200,000. Other large sums were: From the American Exchange National Bank of Cleveland, Ohio, \$29,000; from the Euclid Avenue Savings and Trust Company of Cleveland, \$38,000; from the Savings Deposit Bank of Elyria, Ohio, \$10,000. These sums of money Mrs. Chadwick obtained either on her personal note or on alleged securities worth, the authorities now declare, absolutely nothing.

This extraordinary performance was accomplished by a woman fifty years old, with neither physical beauty nor personal charm; by one whose taste in dress is totally lacking in discernment, who is rather deaf and harsh-voiced, and who, when at all excited, speaks without regard to grammar. There is no romance in the Chadwick case. The doctor's wife was not playing for any big and glittering stake; buying her way into palaces or corrupting prime ministers. All that she wanted the money for, apparently, was to fill her house in Cleveland with a conglomerate hodge-podge of stuff until it looked like an auction room, to make, as the story goes, such eccentric presents as that of half a dozen grand pianos to some of her friends; in short, to "blow in" her wealth in whatever way whim and bad taste might suggest. On the other side, the side of the men who have been fleeced, the story is equally lustreless and sordid. That they acted in good faith is not doubted. They believed the woman's story of her dealings with a well-known millionaire; and in not revealing until the last why they had been induced to confide in Mrs. Chadwick, they were brave and faithful. But for all that, the motive at the bottom of their dealings and of others' dealings with the woman was greed pure and simple. It was because they thought they were going to get big profits personally as the ultimate result of assisting Mrs. Chadwick—that she was, in the vernacular, "a good thing"—that they risked such sums of money with her. They have had hard luck, indeed, but it is also true that they were trying to drive a hard bargain. It was that bourgeois confidence in wealth and commercial respectability—the very same emotion that causes some petty shopkeeper to bow and smile and run his legs off for a woman customer who whirls up to his door in a smart brougham—that blinded the judgments of these bankers and business men. Mrs. Chadwick showed Carnegie notes and talked in terms of six figures, and they believed. Had she tried to borrow money by the thousand, instead of by the hundred thousand, she might

very well have not succeeded. In all the recent and rapidly shifting scenes since the woman's arrest, there is only about one appealing figure—that is Mrs. Chadwick's Swedish maid, Freda. Faithful as a dog, cheerful and reliant as any man could be, wherever she has appeared she has brought into a sorry picture something of the crisp freshness of that north country she left behind her only a little while ago. When Mrs. Chadwick was arrested and haled before the United States Commissioner in New York, while crowds were following her, reporters hounding her, flashlight photographers scaring her out of her wits, and she was alternately weeping and moaning and rasping out ungrammatical denials of her guilt, it was this girl who stood by her and nursed and comforted her. And when she fainted, the girl picked her up in her arms and carried her like a child through the crowd of men who were gaping at her. In the dingy room in the Post-Office, where Mrs. Chadwick spent a good part of a wretched day and night, the girl looked up, in the midst of the woman's wailings and the questions and badgering of lawyers and reporters, at the lithograph of a steamship on the wall. Her face brightened: "It looks like the boat I came over in," said Freda.

"I wish we were on it now," remarked Mrs. Chadwick.

As to the methods which the woman directly employed in obtaining money, her dealings with the Citizens National Bank of Oberlin, the Wade Park Bank of Cleveland, and Herbert B. Newton of Brookline, through which she got over half a million dollars, are sufficiently explanatory. While living in her Euclid Avenue home, apparently a woman of wealth, whose social position was secure, Mrs. Chadwick went to Ira Reynolds, the secretary-treasurer of the Wade Park Bank. She had passed between \$400,000 and \$500,000



ANDREW CARNEGIE

The name "Andrew Carnegie" was signed to several of the notes upon which Mrs. Chadwick obtained her enormous loans. One of them was for \$5,000,000. Mr. Carnegie declared them forgeries



"MADAME DE VERE"

"Madame De Vere" was convicted of forgery in Toledo in 1890, and sentenced to a term in the penitentiary. She was a clairvoyant at that time, and reputed to have a "hypnotic eye"



C. T. BECKWITH

Beckwith was president of the wrecked Citizens National Bank of Oberlin. He lent some \$350,000 to Mrs. Chadwick on the security of two "Carnegie" notes having a face value of \$750,000

\$240,000, and from C. T. Beckwith, its president, and A. B. Spear, its cashier, personally, some \$102,000 more. As security she gave them two notes signed, as it has since appeared, bearing the name of Andrew Carnegie, and having a paper value of \$750,000. How the aged president of the little bank felt about revealing the name of the alleged signer of these notes, until he was compelled to by the courts, is indicated by his declaration: "If I lose home, honor, reputation, everything, I must still keep this locked in my own breast until I am released from the oath I took."

The Way Beckwith Was Fooled

In his confession later Beckwith said: "Mrs. Chadwick told me, as I believed then, in the strictest confidence, that she was the illegitimate daughter of Andrew Carnegie, and that he turned over an immense fortune to her. I believed all along that she told the truth, and for that reason I was so confident that the debts would be settled." Beckwith further confessed that Mrs. Chadwick had made a promise to him that he (Beckwith) would be made trustee of the \$5,000,000 fund which she claimed, and which he then believed consisted of good securities, and in the possession of Ira Reynolds. The directors of the Oberlin bank were not informed of the loans made to Mrs. Chadwick. The old president and his secretary were arrested on the night of December 4, charged with violating the banking laws, and they must stand trial along with the woman who duped them. The methods which Mrs. Chadwick used in these cases were similarly tried in other cities, and against other persons, with occasional success. Her propositions generally promised large rewards to those who would help her out with funds. Many rumors have circulated about her dealings in Pittsburg. One bank, at least, in that city, requested her to withdraw an account which she had started there.

Mr. Carnegie's emphatic denial that he ever signed the so-called "Carnegie notes" of Mrs. Chadwick, backed up by his statement that he had not issued a note for many years, was accepted by the authorities as convincing proof of their fraudulent character. The papers which were held in trust by Ira Reynolds were found, when examined, to consist of three packages, each under seal. Package No. 1 contained a note payable to C. H. Chadwick, dated May 20, 1902, in the sum of \$5,000,000, due fifteen months after date, and signed "Andrew Carnegie"; also a trust agreement, dated February 27, 1901, and signed "Andrew Carnegie," purporting to be a receipt for securities valued in excess of \$13,000,000, delivered to Mr. Carnegie by F. R. Macon (deceased), Mrs. Chadwick's uncle. Package No. 2 contained a duplicate copy of the trust agreement. Package No. 3 contained a note for \$1,800, executed by Emily and Daniel Pine, payable to Cassie L. Chadwick, and a mortgage to secure the same. Mr.



IRA REYNOLDS

Reynolds is the treasurer of the Wade Park Banking Company of Cleveland. He gave Mrs. Chadwick the receipt for the \$5,000,000 package of "securities" without an examination of its contents

through the Wade Park Bank before that, Reynolds says, and he had perfect confidence in her. She brought a bundle of alleged securities worth, she said, \$5,000,000, and showed also a \$500,000 note bearing the name of Andrew Carnegie. The securities were afterward shown to have a paper value of about \$13,000,000. She wanted Reynolds to keep the securities for her, and she had a list of them which she asked him to sign by way of a receipt. When he hesitated, she exclaimed with an air of injured innocence, "Perhaps you wish to examine them to verify my word, Mr. Reynolds?" He assured her that he did not doubt her word, and she departed, carrying Reynolds' paper attesting to the fact that he held in trust for her the \$5,000,000 worth of stocks and bonds. Reynolds was led to believe in the genuineness of the whole transaction, because the woman had already told him, he says, that she was Andrew Carnegie's illegitimate daughter.

In a recent interview he thus described the transaction: "It was Mrs. Chadwick who handed me a rough draft of the attests written in pencil, and requested me to write it out in ink and sign my name to it. I was so thoroughly satisfied that she had told the truth concerning her birth that not for a moment did I distrust her, when I mechanically copied it in ink and handed it to her. What is more, I made a copy of the attest for Dr. Chadwick, who said he wanted it in the event that anything happened to Mrs. Chadwick while he was in Europe. If she died, he said, then he would have something which would designate just what her securities were. He wanted to protect himself, he said, and I gave up the attest. Dr. Chadwick must have known about the Carnegie story, although he never discussed it with me. He saw the \$500,000 note signed by Carnegie's name. He handed it to me. He either knew his wife's terrible secret or he was fearfully duped."

A Clergyman Helps

With the worthless securities once accepted as genuine, and the eminently respectable name of Ira Reynolds attesting to that fact, the rest was easier. Through the Rev. Charles A. Eaton, pastor of the Euclid Avenue Baptist Church of Cleveland, Mrs. Chadwick obtained an introduction to John E. Eaton of Boston, a member of the law firm of Eaton, McKnight & Carver. She represented to Mr. Eaton that she was a rich woman temporarily embarrassed, and that she preferred to go outside of Cleveland for assistance. Mr. Eaton introduced the woman to Mr. Newton, his client. She showed him the \$500,000 Carnegie note and the signature of Ira Reynolds attesting to the \$5,000,000 worth of securities. "We communicated with the Rev. Dr. Eaton," says Mr. Newton, "and he confirmed the signature of Ira Reynolds. The signature on the \$500,000 Carnegie note was never verified beyond Mrs. Chadwick's own statements. The Rev. Dr. Eaton, in verifying the signature of Ira Reynolds, spoke in the highest terms of the character and business standing of Mr. Reynolds. Later Mr. Reynolds personally acknowledged his signature on the certificate of securities. Dr. Chadwick was also reported to be a man belonging to a fine old Cleveland family, a prominent Cleveland physician, and a man of large means. Upon these representations I decided to help Mrs. Chadwick, and agreed to let her have \$14,000. I paid the money to John E. Eaton, and he gave Mrs. Chadwick his check. After this first loan I negotiated with Mrs. Chadwick myself, and made the loans under which she became so heavily indebted to me." It was Mr. Newton who became the immediate cause of the collapse of the Chadwick bubble, when he brought suit to recover his \$192,800.

The depositors of the Citizens National Bank of Oberlin, learning that the bank had loaned heavily to Mrs. Chadwick, began a run on that institution, and on November 20 it was compelled to close its doors. The bank was founded in 1868, had a capital stock of \$60,000 loans aggregating \$343,000, and deposits of about \$475,000. From this bank Mrs. Chadwick had obtained



MRS. CHADWICK UNDER ARREST

Scene in a corridor of the Federal Building in New York City; Mrs. Chadwick in charge of a United States Marshal on her way to be arraigned

Carnegie not only denied that the notes were genuine, but declared that he had never seen Mrs. Chadwick nor heard of her until the exposé of her operations.

The identification of Mrs. Chadwick as Madame De Vere, by a number of persons who knew Madame De Vere when she was in the penitentiary, adds an entirely new chapter to Mrs. Chadwick's story. Madame De Vere was arrested in Toledo on January 15, 1890, on the charge of forgery, while she was doing business there as a clairvoyant. She and one Joseph Lamb, an express messenger, were indicted on the charge of forging a note for \$5,000, purporting to be drawn in favor of one Florinda G. Blythe, and signed by Richard Brown, which was passed on the First National Bank of Toledo. Lamb was acquitted, but Madame De Vere was sentenced to nine and one-half years in prison. At the end of three and one-half years she was released on parole by William McKinley, then Governor. It appeared at the time that the woman had originally been

Elizabeth M. Bigley of Eastwood, Ontario. Her family knew her as Lylie. While a young girl, she was tried on the charge of forgery, but was acquitted on the ground that at the time she had been temporarily insane. She had since been known under many aliases. She first appeared in Cleveland in 1882, and married there in that year Dr. W. S. Springsteen. The marriage took place, according to Mrs. Alice M. York of 1031 Geary Street, San Francisco, who claims to be Mrs. Chadwick's sister, at Mrs. York's house in Cleveland. Mrs. York is among those who declare that Madame De Vere and Mrs. Chadwick are the same. Shortly after the wedding the bride's personal property was attached, and the husband, after examining into her immediate past, divorced her. It was after this that she became known as Madame De Vere, clairvoyant, and was supposed to possess a hypnotic eye. She obtained money from many persons, but the express messenger, Lamb, was the most docile of her victims. He had a wife and family, but the De Vere woman compelled him to wreck his little fortune entirely for her. The unlucky Lamb is long ago dead and gone.

After being released from prison Madame De Vere traveled, it is said, for a millinery house, and eventually became known as Mrs. Hoover. It is denied by those familiar with her story that she ever married any one of the name of Hoover. It is explained that she boarded with a woman of that name, and afterward assumed it as a convenient alias. After a period in which her movements are not easily followed she met Dr. Leroy S. Chadwick. He was ill at the time, and she suggested, it is said, massage. It benefited him. He felt grateful, became friendly with "Mrs. Hoover," and afterward married her. Just how much Chadwick knew of her past has not appeared. He is now abroad, and shows no desire to return. It is said that Mrs. Chadwick settled some \$2,000,000 upon him two years ago. Once the doctor's wife, and living in comparative luxury on Euclid Avenue, the Chadwick woman's position seemed secure.

Mrs. Chadwick's Eccentricities

The woman's life since then, until the Cleveland newspapers began to hint that she might be Madame De Vere, and Newton of Brookline brought his suit, was, on the surface at least, conventional enough, except when punctuated by some of her occasional eccentricities. Last year, the story goes, she brought a whole car of her friends down to New York to see "Parsifal." Several years ago, it is said, she took a party of young women to Europe, and, when they had returned, presented to each an expensive miniature of herself. She was forever buying absurd amounts of furniture, laces, and jewels. In New York, for some time before her arrest, she occupied a suite of rooms at the Holland House. She was then regarded by the management as a desirable guest.

Mrs. Chadwick was arrested by the Federal authorities on December 8, at the Hotel Breslin, in New York, after having flitted from one hotel to another for several days. She was unable to obtain bail and went to the Tombs. After several days of uncertainty she waived examination in the Federal Court, and was taken to Cleveland, where the United States Grand Jury had returned seven indictments against her, alleging conspiracy, aiding and abetting, and other offences. The same jury charged Beckwith and Spear with misappropriating the funds of a national bank. On December 17 Mrs. Chadwick pleaded not guilty to every charge brought against her, declined to give bail, and was remanded to jail to await trial. She has engaged powerful counsel to defend her—counsel that would not take up such a case without a definite arrangement for a commensurate reward. Mrs. Chadwick evidently, therefore, has money. But those who are most familiar with her case believe that there is something more than this behind it—the woman seems to be too confident that she has "something up her sleeve" really to have played as yet her trump card. It seems as though the story—the real story—were yet to be told.