

**LEADERS IN PLOT TO BLOW UP
WELLAND CANAL OUT ON BAIL**

Two Germans Arrested in New York for Conspiracy--Buffalo Used as a Base for Sending Spies Out to Photograph Canal--Arrests Expected Here and Over the River.

(Special to The Evening Review)

New York, Dec. 18. — Welland Canal plotters arraigned to-day, and remanded till Jan. 12th, on \$50,000 bail.

NIAGARA FALLS IN PLOT.

Buffalo, N. Y., Dec. 18. — Special agent Edward D. Strickland, of Federal Department of Police, presumably upon orders from New York, left Buffalo to-day for Niagara Falls, in connection with the alleged plot.

ARRESTS EXPECTED AT FALLS.

Alleged plot to blow up the Welland Canal, which resulted in the arrest of several men in New York. It is believed that arrests are to be made at the Falls, and some interesting local developments are being looked for. The alleged conspirators were in Buffalo and vicinity for several days in September last, and during that time they received many visits from local persons and others who came here for that purpose. At that time Koenig registered under the name of W. T. Mundy at a local hotel.

A plot to blow up the Welland canal is charged in connection with the arrests of two prominent Germans in New York last evening.

The first man arrested was Paul Koenig, head of the bureau of investigation of the Hamburg-American line, and believed to be the head of the German secret service in the States. Koenig has been conspicuous in German circles. He has taken out his first papers to become an American citizen.

The second man is Richard Emil Leyendecker, retailer of art goods. He is a naturalized citizen and these arrests make the first instance where the so-called "hyphenated Americans" have been arrested in connection with the German propaganda.

These men are charged under section No. 13 of the federal criminal statutes with planning a military enterprise or undertaking of hazard against a country friendly with the United States. The penalty on conviction is three years in prison or \$3000 fine, or both.

The special agents of the department of justice raided the offices of the men, and they picked up a great mass of material concerning the movements of German secret agents. Secret codes which were changed every week to elude any person who might have been shadowing them or listening over the telephones were also found.

These codes showed that when Koenig or any other of his men telephoned to another "to meet me at South Ferry," that meant Pats's, 125th street, or some other place. In addition to these codes there were found many other documents of great importance over which the detectives and the agents were poring last night.

Both Koenig, who, by the way figured in the Stahl case under the name of Stemler, and Leyendecker have been under surveillance by the police and agents of the department of justice for more than a year. Their movements have been followed closely. That was

made possible by a tapping of their telephone lines.

This is the complaint verbatim under which the arrests were made: "At one city of New York, county of New York, within the southern district of New York, on September 27, 1915, the defendant unlawfully, wilfully and feloniously, did begin and set on foot and prepare the means for a military enterprise to be carried on from the United States against the property, territory or dominions of a foreign prince, with whom the United States was and is at peace; that is to say, that the said defendant on September 27, 1915, at the city of New York, within the southern district of New York, did begin, set on foot and prepare the means for a military enterprise to be carried on from the United States against the Dominion of Canada, a colony or dependency of the King of Great Britain and Ireland, and that it was the purpose and intent of the said defendant then and there to destroy, mutilate and damage the Welland canal, a waterway traversing a portion of the said Dominion of Canada, for a distance of 27 miles, from Fort Colborne to Port Dalhousie, in said Dominion of Canada, the said canal being used for the transportation of foreign and domestic commerce, and it was the purpose and intent of said defendant then and there to destroy, mutilate and damage said Welland canal by force of arms, the object of the said enterprise or undertaking of hazard so begun and set on foot, being to destroy, mutilate and damage said canal and the commerce of the Dominion of Canada, with which the United States was, and is, at peace, and for the purpose of carrying on said enterprise the said defendant left the city of New York in the county of New York within the southern district of New York on the 27th day of September, 1915, and proceeded by the Lehigh Valley railroad to Buffalo and thence to Niagara Falls in the State of New York."