

FOUGHT OVER MONEY MATTERS

Fuchs Claimed That Plotters
Owed Him Fifteen
Dollars

DISPUTE LED
TO ARRESTS

Three Germans Charged With
Conspiracy to Wreck Wel-
land Canal

Canadian Press Despatch:

New York, Dec. 18.—Paul Koenig and Richard Emil Leyendecker were held in \$50,000 and \$30,000 bail, respectively by United States Commissioner Houghton to-day when they were arraigned before him on charges of conspiring to destroy the Welland Canal.

New York, Dec. 18.—Charged with conspiring in a military enterprise to destroy the Welland Canal, three men are under arrest here to-day awaiting arraignment before a United States Commissioner while a fourth man is in the custody of Government authorities.

Those under arrest are:

Paul Koenig, formerly head of the Bureau of Investigation of the Hamburg-American Line who, it is charged, has been the head of the German Secret Service in the United States since the beginning of the war.

Richard E. Leyendecker, a retailer of art goods in this city, a naturalized American alleged to have been employed by Koenig.

Frederick Metzler, of Jersey City, reported to have been a clerk in the offices of the Hamburg-American Line, and Secretary to Koenig.

The fourth man held in custody is George Fuchs, who was formerly in Koenig's employ and who has given the authorities valuable information. So far as known he is not alleged to be a party to any conspiracy.

The arrests were made last night under the direction of William M. Offley, head of the agents of the Department of Justice in New York, and A. Bruce Bielaski, head of the special investigators of that department.

The complaint made by Mr. Offley alleges that Koenig and others went to Buffalo and Niagara Falls in September last to prepare means to destroy the canal "by force of arms."

The three defendants, it was learned to-day, have been under surveillance for a year. The evidence which led to their arrest was given by George Fuchs, who, it is charged, quarreled with Koenig over the payment of \$15, which he claimed Koenig owed him.