

## ROSS WILLING TO GIVE UP HOLDINGS

### Influenced by Ladd's Move to Rescue.

## BANK PRESIDENT EXPLAINS

### Declares He Always Intended to Sacrifice Fortune.

## AWAITED PROPER MOMENT

### Will Ask That His Personal Estate Be Devoted to the Payment of Claims Before Mr. Ladd's Money Is Used.

President Ross, of defunct Title bank, offers to turn over his own estate for payment of depositors, now that W. M. Ladd has agreed to guarantee the bank's indebtedness.

Text of Ladd's agreement has been drafted by District Attorney Manning and submitted to Ladd's attorneys. Mr. Ladd has not reached an agreement with American Surety Company. His friends deny that he is trying to shun such agreement.

According to text of depositors' agreement, surety company will get from Ladd the \$100,000 which it has paid state and the \$250,000. It has promised to pay state in two years with 5 per cent interest, in three years with 4 per cent interest. The surety company wants better terms.

Attorney W. C. Bristol, representing surety company and state, yesterday petitioned Judge Wolverton to order Receiver Mearns to restore the state school money, \$288,000, dollar for dollar, as a trust fund, "prior to payment of money to any other individual," and to defer until this matter shall be determined, distribution of \$34,000 trust funds, which the receiver has asked the court to authorize.

Judge Wolverton deferred decision in the matter until January 10. Should the surety company win this contention, it will not need the guarantee of Ladd as to the school money since the state's claim will be paid in full out of the first moneys obtained from the assets. Should the surety company fail, it will fall back on the timber land collateral, which the Ross bank signed over to the state as security for the state money.

Attorney Joseph Simon, representing Receiver Mearns, reiterated in court yesterday, that the receiver will take legal steps to regain the timber land collateral on the ground that it was illegally given. Bristol responded that the surety company and the state stand ready to defend their claims to the collateral.

At the same time Ross credited himself with \$7,000 on his \$31,000 note (just before the wreck, during the holidays) and Ladd & Tilton received \$36,000 on account of debt to that bank. Wallace McCannan was credited with \$200 on his \$5000 note, all this being on November 2.

When bank fell November 6, the teller's cash book showed \$133,000 cash on hand, of which \$128,500 was overdraft, due from the "general department" and but \$4,500 was gold, silver, paper money and "tags." On last day bank was open, October 28, the teller's cash was \$45,000, and there was an overdraft due from the general department of \$80,000. Transactions run through the bank, between October 25 and November, increased the overdraft and depleted the cash.

On April 21, 1906, the general earnings were credited with \$31,200, as 30 per cent discount on purchase of \$300,000 bonds of Oregon Ladd & Water Company (Umatilla irrigation project). In other words, the value of the bonds was anticipated to the extent of \$31,200, and depositors' money was used on expectation that those earnings would restore it. The bonds are of doubtful value. The bank listed them at par among its bond assets. These bonds were sold in the bank through Ross' dummies, Coy and Reid, and a fat rake-off was made by Ross in the transaction.

The debt to Ladd & Tilton began when the Title Company organized in 1891. December 21, of that year, it was \$205,830. It grew steadily each year, in form of overdraft on Ladd & Tilton, until on April 15, 1907, it was \$278,784. It is now \$677,256, and the sum of \$158,000 was paid by the fallen bank to Ladd & Tilton between April 15 and November 2.

During the past year Ross had no personal account on the books of the bank. His personal funds were carried in the cash of the bank, for which he drew checks. An employe of the bank kept for him a personal cash book and ledger, which have vanished. It thus appears that Ross had free use of the bank funds by this system. All vouchers, being his checks canceled, have also vanished.

The bank officers all had their salaries increased this year and last. Ross' surrender of his personal estate to Mr. Ladd will benefit the latter to the extent of some \$200,000. If Ross' estimate of its value is true. The president of the wrecked institution yesterday announced that ever since the crash he has intended to "devote my private property to the payment of its liabilities," but has been waiting for Mr. Ladd to guarantee the indebtedness before so doing. The following announcement was received by The Oregonian from President Ross yesterday:

It is known to my counsel and to a number of others, including counsel for the receiver, it has been my purpose at all times, since the suspension of the Title Guarantee & Trust Company, to devote my private property to the payment of its liabilities. Because I had thought I could be more helpful by so doing, and because of some private indiscretions of my own, I had assumed that I had to withhold any public declaration of my purpose until this time.

I think it proper for me now to state that last week I was interviewed by a gentleman who claimed to come from Mr. William M. Ladd. I was asked whether I would be willing to turn over certain specified assets to Mr. Ladd in the event of his guaranteeing the indebtedness of the Title Guarantee & Trust Company. My answer was that I was willing to do so, I have heard nothing from Mr. Ladd for a number of days last past, but I am willing to turn over to him substantially all my assets, reserving only so much of the same as is sufficient to pay my own indebtedness. This is substantially what I consented to do last week. The proposition then discussed, and to which I gave my assent, contemplates that my estate shall be first exhausted in the payment of the debts of the

## EACH CHAMPIONS DIFFERENT MAN

## Bourne and Hawley Name Candidates.

## FOR OREGON ATTORNEYSHIP

### Question Up to President and Attorney-General.

## BINGHAM OR SCHUEBEL

### Bonaparte Turned Down One Man Because Attorney for Defendant in Land-Fraud Case—Point May Go Against Schuebel.

## Senator Against Senator.

### When W. C. Bristol's nomination was withdrawn from the Senate, the Attorney-General refused to recommend to submit the name of a man for appointment to the vacancy, but did not request the Congressmen to do so. But previous to that time the delegation, as it had a perfect right to do, agreed that the Congressmen should be consulted regarding this appointment and, inasmuch as they were invited to participate by both Senators, it is reasonable to expect the department will give consideration to their preferences. Mr. Bourne may profess that this content is solely between himself and Mr. Fulton, in which case the President would be called upon to decide only between two Senators, but such a course is quite probable, particularly as Mr. Bingham is a fellow-townsmen of Mr. Hawley.

Mr. Bourne, it is said, has no objection to offer to Mr. Bingham, whereas all the other members of the delegation are strongly opposed to Mr. Schuebel. Should Mr. Schuebel be appointed, his nomination would go to the judiciary committee, of which Mr. Fulton is now a member, and another fight might follow, depending entirely on Mr. Fulton's attitude.

## New Washington Postmasters.

OREGONIAN NEWS BUREAU, Washington, Jan. 2.—Washington Postmasters appointed: Helne, Pearl H. Nygren, vice W. J. Metcalf, resigned; Kerrison, John A. McLean, vice J. W. Kerry, resigned; Pyshl, Harriet E. Haviland, vice William Crawford, resigned.

## AND HE MERELY CAME BACK TO REGISTER

## CANDIDATES FOR U.S. DIST. ATTY.

## ADVOCATES OF 2-D ELECTIVE TERM FOR FULTON

## REPORTER OFFERING FRIEND

## FROM THE CLUB

## PORTLAND AND VICINITY.

## President Ross of Defunct Title Trust Bank

## United Railways System Proves Its Worth to Business Men.

## Police Demand Appointment of Bail and Warrant Officer for Duty at Central Station.

## Business Men of State Out of Patience with Harriman's Policy of Delay and Neglect.

## Louis J. Wilde Threatens to Abandon Plan for Reorganization of Oregon Trust & Savings Bank.

## RETIRES AT 8:50 P. M FOR DELIBERATION.

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## JUDGE WOOD FAVORS STATE

### Instructions Are More Liberal Than in Haywood Trial.

## DEFENSE DOES NOT ARGUE

## Refuses Hawley's Challenge to Present Other Side of Story—Pettibone Is Carried Into the Courtroom.

### BOISE, Idaho, Jan. 3.—The jury in the case of George A. Pettibone, charged with conspiracy in the murder of ex-Governor Frank Steunenberg, began its deliberations at 8:50 o'clock tonight. The last day of the trial was occupied by the argument of James H. Hawley, for the prosecution, and the instructions of the court.

The defense carried out its announced resolution not to argue the case, thus preventing Senator Borah from addressing the jury. Hawley fairly dared the attorneys for Pettibone to speak in his behalf, but they sat dumb when he concluded, and when asked by Judge Wood if any argument would be presented by the defense, Judge Hilton, answered: "Certainly not."

The courtroom was cleared before the jury retired, but the attorneys, defendant and a few of his friends waited for a time in the hope of hearing the verdict tonight.

No session of court was held this afternoon on account of the illness of Juror Stahl, but he recovered sufficiently for the trial to proceed tonight. Pettibone was a very sick man during the day, but insisted on the trial being concluded. It was necessary to carry him to the courtroom tonight.

Wants to Hear Other Side. In closing Hawley argued that every circumstance in the evidence pointed to the guilt of Pettibone. Calling the list of the score of men killed by Orchard, the prosecutor said that every one was an enemy of the Western Federation of Miners, and he said that during that time no friend of the Federation met his death through violence. He said that while Orchard was, he conceded, one of the worst criminals of the century, he regarded those who hired him and directed him as vastly worse than he. He went over the documentary evidence which, he said, proved the defendant's guilt.

Hawley concluded at 8:10 and Judge Wood asked Juror Stahl, who has been ill, if he felt able to proceed tonight. "Yes," answered Stahl, "I would like to hear the other side."

The significant remark was passed, and Judge Wood proceeded with the reading of his instructions.

The instructions differed to some extent from those given in the Haywood trial. Judge Wood held that on proof of the existence of a conspiracy to kill enemies of the Western Federation of Miners; that the defendant was a member of such conspiracy; that Steunenberg was regarded as an enemy of the Western Federation of Miners and that if his murder was a result of the conspiracy, the defendant should be found guilty.

The jury was instructed that if these facts were proven, it was not necessary to show that the defendant was cognizant

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## CALLS ON HENEY TO "MAKE GOOD"

### Fulton Demands Facts as to Charges.

## BRANDS REPORTS AS BASE LIES

### Insists Prosecutor Deny or Prove Insinuations.

## SENATOR IS NOT AFRAID

## Confident He Has Knowingly Done No Wrong. He Is Willing People of Oregon Shall Inspect Every Act of His Official Career.

### ASTORIA, Or., Jan. 2.—(Special.)—Tired of the insinuations which Francis J. Heney has been quoted as making regarding his official acts, United States Senator Fulton today addressed an open letter to Mr. Heney, calling on him either to deny his responsibility for the insinuations or to make a public statement of the alleged facts on which the accusations are based, so that the people may judge as to their truth or falsity. Senator Fulton's letter is as follows:

"Malicious Lie," Says Fulton. ASTORIA, Or., Jan. 2, 1908.—Mr. Francis J. Heney—Sir: During your recent visit to Portland there appeared in The Oregonian a purported interview with you in which you were quoted as saying that you had in your possession evidence that I have been guilty of some corrupt act. My attention having been called thereto by a representative of a Portland newspaper, I said: "If, as reported by you, Mr. Heney charges that I have been guilty of any manner of corruption, I brand the statement as a wilful, deliberate and malicious lie."

My answer was published December 20 last, and I assumed that in view of such statement you would adopt the only manly course open to you and either equate the interview or make a public and frank statement of the facts, or alleged facts, on which your statement was based. You have done neither, although in a Washington paper you are reported to have said that you "never said in an interview for publication, discreditable statements regarding Fulton," but that "a Portland paper may have printed some things you said privately."

"Let the Facts Be Given." Whether uttered privately or publicly, openly or secretly, any charge that I have been guilty of a corrupt or discreditable act is an infamous falsehood.

I therefore demand that, in justice to myself and the people of this state whom I have the honor in part to represent in the Congress of the United States, you publicly and specifically set forth the grounds on which you base the charge of wrongdoing on my part. You shall not longer hide behind insinuations. Let the facts be given and given at once. If facts there be, I stand ready at all times to meet any charge that may be brought against my record as an official, and confident in the knowledge that I have knowingly done no wrong, will undertake to satisfy the people of Oregon of the rectitude of my conduct and official career. C. W. FULTON.

## BOYCOTT THE EXPOSITION

## SEATTLE UNION DISGRUNTLED AT COMMITTEE.

## Want Strictly Union Labor Clause Embodied in Contract, Which Is Refused—Other Labor Troubles.

## SEATTLE, Wash., Jan. 3.—(Special.)—At a meeting of the Building Trades Council tonight, the assembly voted to call upon labor organizations everywhere in the country to lend support to opposition to the 1909 fair. Action was taken after the executive committee of the exposition had refused to incorporate in building contracts a clause specifying that only union men be employed.

J. E. Chibber, president of the Alaska-Yukon-Pacific Exposition, says: "After considering the demands of the labor union, the executive committee decided it could not discriminate. Money subscribed for the exposition came from all people. We do not object to unions nor union men. We refuse to play favorites." By the declaration of the open-shop policy, notices of which went into effect yesterday, causing the walking out of 160 employes in the metal works of this city, Seattle is facing a general strike which means that at least 5000 men will become involved, and at least \$1,000,000 in building will be retarded before a settlement is reached.

The contractor for the new \$150,000 First Methodist Episcopal Church today defied the unions and placed a force of non-union men at work. The contractor builders and the unionists are now awaiting results, and full development of the strike may not come to a general walk-out until next Monday.

**Files Brief in Boundary Suit.** OREGONIAN NEWS BUREAU, Washington, Jan. 2.—Senator Pileas of counsel for the State of Washington, today filed a brief in the Supreme Court in the case of the State of Washington versus the State of Oregon, involving the ownership of islands in the Columbia River. Both states are claiming jurisdiction and sovereignty to valuable islands and sands in the channel near the mouth of the river, and the brief filed today answers the brief filed by the State of Oregon, December 7 in the same case.

## INSTRUCTIONS FAVOR STATE.

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### HAWLEY CONCLUDED AT 8:10 AND JUDGE WOOD ASKED JUROR STAHL, WHO HAS BEEN ILL, IF HE FELT ABLE TO PROCEED TONIGHT.

### "Yes," answered Stahl, "I would like to hear the other side."

### THE SIGNIFICANT REMARK WAS PASSED, AND JUDGE WOOD PROCEEDED WITH THE READING OF HIS INSTRUCTIONS.

### THE INSTRUCTIONS DIFFERED TO SOME EXTENT FROM THOSE GIVEN IN THE HAYWOOD TRIAL. JUDGE WOOD HELD THAT ON PROOF OF THE EXISTENCE OF A CONSPIRACY TO KILL ENEMIES OF THE WESTERN FEDERATION OF MINERS; THAT THE DEFENDANT WAS A MEMBER OF SUCH CONSPIRACY; THAT STEUNENBERG WAS REGARDED AS AN ENEMY OF THE WESTERN FEDERATION OF MINERS AND THAT IF HIS MURDER WAS A RESULT OF THE CONSPIRACY, THE DEFENDANT SHOULD BE FOUND GUILTY.

### THE JURY WAS INSTRUCTED THAT IF THESE FACTS WERE PROVEN, IT WAS NOT NECESSARY TO SHOW THAT THE DEFENDANT WAS COGNIZANT

### OF THE CRIME CHARGED IN THE INDICTMENT AT THE TIME IT WAS COMMITTED. THE JURY WAS INSTRUCTED THAT THE ACCOMPLICE MUST BE CORROBORATED BY INDEPENDENT TESTIMONY TENDING TO CONNECT THE DEFENDANT WITH THE CRIME CHARGED, BUT SAID THAT SUCH CORROBORATION NEED NOT BE SUFFICIENT TO CHARGE THE GUILT OF THE ACCUSED.

### THE READING OF THE INSTRUCTIONS WAS CONCLUDED AT 8:50 O'CLOCK AND THE JURY RETIRED FOR A CONSIDERATION OF THE CASE.

## STATE IS WELL SATISFIED

## PROSECUTION BELIEVES ITS CASE HAS BEEN CLEARLY DEFINED.

### BOISE, Idaho, Jan. 3.—(Special.)—Those connected with the prosecution in the Pettibone case express themselves as being well satisfied with the instructions given the jury by Judge Wood tonight, and the feeling prevails that the views of the state are more clearly defined. The instruction asked for by the defense that the acquittal of Haywood should be taken into consideration by the jury was denied by Judge Wood, while a number asked for by the state amplifying the definition of the law of conspiracy were granted.

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PORTLAND, Jan. 3.—(To the Editor.)—As