WAR DEGLARED BY

## W. M. LADD

Agrees to Meet All **Accounts in Three** Years.

OVER ALL ASSETS

Title Guarantee & Trust Co. Creditors Will Be Paid in Full.

TOTAL AMOUNT \$2,560,000

District Attorney Manning Will Continue Investigation.

INDICTMENTS NEXT WEEK

Active Officials and Directors of the Defunct Bank Will Not Escape Prosecution-New Deals of President Ross Discovered.

DISTRICT ATTORNEY MANNING'S ANNOUNCEMENT.

To Depositors of the Title Guarante Trust Company: & Trust Company.

1. John Manning, District Attorney for the Fourth Judicial District of Oregon, do hereby notify all the depositors and creditors of the Title Guarantee & Trust Company, that in my judgment all deposits, trust acits and savings accounts will be paid 100 cents on the dollar and I otify the creditors that they should not sell their claims at a discount, since they will receive satisfaction of their claims in full.

JOHN MANNING. District Attorney for the Fourth Judicial District, State of Oregon.

W. M. Ladd has agreed to take over the assets of the Ross bank and pay all its deposits within three years.

Details of the plan will be arranged today in a conference between a committee of depositors, agents of Mr. Ladd, John Manning, District Attorney, and W. C. Bristol, special counsel for the state, and for the American Surety Company,

Mr. Ladd will not be prosecuted, but officers of the bank, Mr. Manning says, will be indicted next Monday.

Investigation of the smashed bank's accounts will be continued, in order to gather evidence for prosecution. Officers involved are J. Thorburn Ross, George H. Hill, T. T. Burkhart, J. E. Altchison and F. M. Warren.

Experts continue to dig up sensations in the bank's accounts, and to confirm the knowledge that its dealings were the most scandslous Port-

Committee of depositors will insist on payment of interest by Mr. Ladd

until claims are fully met. Whether the receivership will be continued has not been decided, but if it shall be, C. E. Mears may be super-

seded by a receiver of Mr. Ladd's selection. Mr. Ladd will succeed to whatever

claims the bank may hold against the \$202,000 property of Ross. The bank's liabilities are: Demand accounts, \$1,055,000, including \$288,000

school funds and \$100,000 other state money; savings accounts, \$405,000, already guaranteed by Mr. Ladd's pledge of November 9; time certificates, \$175,-000; demand certificates, \$315,000, including \$100,000 due First National Bank and \$50,000 due Ladd & Tilton; due other banks. \$610,000, including \$607,256 due Ladd & Tilton,

All these claims are to be paid by Mr. Ladd in full, including the state. which will save loss to the American Surety Company.

Ross' 49% per cent interest in the Commercial building pays him \$10,000 a year net. The gross earnings of the building are \$35,000 a year.

Ross pocketed 21,000 last June in selling 152 shares in the Commercial building to the bank, through N. Cov. and W. W. Reid, dummies,

Safety deposit vaults which cost \$9150, including repairs, were entered Into the \$50,000 capital of the bank department at \$40,000.

The bana continually ran behind its

earnings, but Ross had a happy faculty of marking up assets with "enhanced value" to make up the deficiency, and entered it in a mysterious account called "suspense earnings," which is full of puzzles for the experts.

The original capital of the Title Guarantee & Trust Company, when the company was formed in 1891, was \$125,000, paid for with \$62,500 debt and an abstract plant of the Real Estate, Title & Trust Company, which was succeeded by the present company.

The company did a big business in title insurance, but the policies are worthless. A very large aggregate sum of money was paid in premiums.

Mr. Ladd pledges himself to make good he deposits of the Ross bank, dollar for dollar, if allowed three years' time. He gave out this announcement last evening. after an afternoon conference between W. B. Ayer, acting as his representative; John Manning, District Attorney, and W. C. Bristol, special counsel for the state and for the American Surety Company. Complete details of the agreement will be worked out today, at conferences in

Mr. Manning's office. The participants



District Attorney Manning, Who Has Exerted Himself Successfully to Serve the Interests of the Depositors of The Title Guarantee &

will be a committee of five members of an organization of depositors-Dr. S. J. Barber, J. O'B. Scobey, Nathan Solomon, J. E. Moulton and William Swope; representatives of Mr. Ladd, including W. B. Aver, and W. C. Bristol and Mr. Man-

Mr. Manning will confer with the depositors' committee at 9 A. M. and with the bank, and has the matter under con-Mr. Ladd's representatives at 10, after all parties.

Depositors will ask that their claims be preferably to be exchanged for certifible in three annual installments, with interest. Mr. Ladd will guarantee the trusts of the wrecked company, but not the title insurance. The American Surety nuiescence to their claim for payment of the state's deposits. Mr. Ladd's delay in shouldering the bank's obligations was due largely to his desire that the surety company assume the share of the loss for which it had given indemnity bond, but he has finally waived this objection.

Mr. Ladd's friends say that he desired, from the first, to put the bank into a condition that will enable it to pay all its depositors in full, and that he supposed he was doing this for them when relinguishing the Marquam block to the eank and guaranteeing savings deposits, on November 9, three days after the bank fell. He relied on the statement of Ross at that time that the bank would pay out and had no knowledge of the plunder deals that subsequent investigation has

District Attorney's Statement. The following statement was issued by

District Attorney Manning last night: "W. B. Ayer called on me several times about matters of the Title Guarantee & Trust Company, more particularly concerning W. M. Ladd's connection with bly of from 15 to 21 prominent and subthe company. In conversation with me stantial citizens of Portland, are the Mr. Ayer always seemed in favor of Mr. Ladd's taking up the assets of the com- the formal election of these directors will pany and paying all the depositors 100 cents on the dollar. The only difficulty by the German American. These prelimwas in determining a satisfactory time in which to pay the depositors. This more than a few days longer and it is period has not been definitely fixed, but quite likely that at the end of two weeks

will probably be three years. "I am informed that Mr. Ladd always has been willing to pay the depositors 100 cents on the dollar, because he believed his connection with the Title Guarantee & Trust Company, while not such as to keep him informed closely of its business, yet was such that he believed himself morally bound to the public for the adjustment of the affairs of the com-

"Mr. Ladd has not been threatened with arrest by me and therefore this settlement will be made only because Mr. Ladd believes it his duty to the public. Had it not been for the fact that Mr. Ladd was president and director of the company so long, and for the further fact that the public believed him interested in the company to a much greater extent, he would probably not have come to the rescue of the depositors, as he has promised to do.

"Mr. Ladd's business associations, be cause of misplaced confidence, have led him at times into some unprofitable investments, but evidently without intention of wrongdoing. His association with the Title Guarantee & Trust Company began many years ago before the company resolved itself into a bank. His confidence in the management of the l'itle Guarantee & Trust Company induced him to own stock in the company and to associate himself with it. I am advised that while he does not wish publicly to criticise the management of the

(Concluded on Page 9.)

## GERMAN-AMERICAN PLANS A MERGER

To Take Over Oregon Savings Bank.

S. G. REED FOR PRESIDENT

Court Order Granting Time to Pay Claims Will Be Asked.

MAY OPEN IN TWO WEEKS

Will Have Paid-Un Capital of \$500,-000-Strong Directorate of Substantial Citizens of Portland Is Promised.

	ORGANIZATION.		
	Liabilities of the bank	1,000,000	
d	Capital stock paid up		
	Cash on hand	250,000	
١	deposit	400,000	
١	edness due bank	150,000	
	the new bank will receive Bank fixtures, lease and safety deposit vaults which the new bank will	900,000	

Name of new bank, German-American Bank, Presidency has been offered to S. G. Reed.

In all probability the German-American Bank will take over the defunct Oregon Trust & Savings Bank within the next two weeks and will pay all liabilities of the closed institution. The German occupied by the Oregon Trust and it is the avowed purpose of the reorganizers that a better and stronger bank shall rise from the ruins of the old.

S. G. Reed, treasurer of the Portland Railway, Light & Power Company, has been offered the position of president of sideration. He will announce his decision which there will be a general parley of in a short time. Thomas C. Devlin, receiver of the closed bank, will remain put in such shape as to be negotiable. At any rate he will represent the court with the institution, probably as cashier. until all claims against the closed bank shall have been paid. The new bank will bear the name of the German-American, the present German-American Bank ab sorbing the Oregon Trust and surrendering its present location at Sixth and Al

Time to Pay Claims Asked.

The chief matter yet to be arranged is an order from the court giving the bank sufficient time to pay off all the claims against it. A petition to this effect will be presented to the court within a few days. Just how long a period will be asked to permit the bank to meet its lia bilities has not yet been decided, but it is likely that not less than 12 months will

It is taken for granted that the institution would wipe out the claims against to leave the institution free from the em barrassment of meeting the majority of its liabilities at once upon reopening, a stated period for payment of creditors will be asked, and it is confidently expected that this concession will be al-

Strong Directorate Planned.

The securing of this court order and the selection of a directorate which will consist of not less than nine and proba matters remaining to be closed up before be held and the closed bank taken over inaries, it is expected, will not require be doing business as of old.

The directorate of the new bank is to be of the strongest possible. Men of unquestioned business ability and honesty will be chosen, against whom no whisper of unfair dealing or incompetency can be made. None of the former officials of the Oregon Trust & Savings Bank will be connected with the new bank, although a number will be heavy stockholders, particularly W. H. Moore, who takes a large block of stock. Those interested in the reopening of the bank speak highly of the work Mr. Moore is doing for the reorganization

Capital to Be \$500,000, Paid Up. The German-American Bank, of which Louis J. Wilde is president, has many wealthy Pacific Coast men on its stock books, residents of citles from Portland to San Diego, and they are among the best-known men of finance in their respective territory. The capital stock of the bank, which was started less than a year ago, is \$500,000. This will be fully paid up when it takes over the Oregon

Trust. S. G. Reed, who has been offered the presidency, is a man who would command the confidence of all as a bank president. He is thoroughly conversant with the business requirements of such a position, and the fact that he is now treasurer of a \$30,000,000 corporation speaks well for his ability. Mr. Reed has been connected with the Portland electric interests for the past five years. He was

THE NEW YEAR'S OREGO.

industries and resources will be presented in the New Year's Oregonian that will be published tomorrow. Space will be devoted to a comprehensive review of the progress of horticulture in this state, and dairying, mining, grain, livestock, manufacturing, railroad development, and many other subjects will be dealt with Special attention will be paid to the progress of Portland during 1907. Many attractive and instructive illustrations will accompany the articles. Price 5 cents; postage 3 cents.

......... secretary and treasurer of the Portland General Electric Company until the consolidation into the Portland Railway Light & Power Company, almost two years ago, when he was made treasure of the new company.

The plan whereby the Oregon Trust will be taken over by the German-American



S. G. Reed, Who Has Been Offered Presidency of Reorganized Ger-

ias been declared practicable by all wh have examined into it. Liabilities of the bank when it closed were about \$2,300,000. Of this sum, practically \$1,000,000 has been signed off by depositors for telephone bonds, bank stock and time certificates. Louis J. Wilde, for the Home Telephone Company, holds certificates of deposit and other claims against the closed bank of \$475,000. Mr. Widle will subscribe \$100,-000 of this sum for stock in the new bank.

A meeting was held by all those who will participate in the reorganization last Sunday at the Oregon Trust, when the plan was thoroughly discussed and turned over from all sides. It was the general opinion that this will lution best suited to all interests. It was decided, after a thorough discussion, to proceed along these lines, and the plan had proceeded so far yesterday afternoon that it appears certain of success. Hard Struggle for Reorganization.

"All who have helped in the work of reorganization deserve great credit. said a man who is familiar with all details of the bank. "During the Sunday meeting Mr. Moore was more than gen (Concluded on Page 9.)

## CONTENTS TODAY'S PAPER

.de Weather.

YESTERDAY'S-Maximum temperature, 42 degrees; minimum, \$4 degrees. TODAY'S-Rain or snow; high southeasterly

Evidence in Harden case complete; Kaiser's sister helped Harden. Page 3. Trial of Russian Douma members near close. Page 3.

Page 3.

Druce's grave opened and body found in coffin; claimant will not give up. Page 4. National.

Government replies to Standard Oil's attack en justice of big fine. Page 4. Ambassador Aoki starts for Japan, confident of settling immigration question Page 4.

Politics. raft speaks at Boston on responsibility for panic. Page 1. Domestle.

All indictments against Colorado coal-land grabbers quashed. Page 4. Woman murdered in New Jersey positively identified. Page 3.

vernor Sparks calls extra session of Nevada Legislature. Page 2. Girl driven to hysterics by secret society initiation starts crusade by mothers.

Fen hot rounds between Hugo Kelly and Papke end in draw. Page 4. altnomah and St. Louis football teams ready for big game. Page 12. Pacific Const.

Cooke, his mistress and baby fice from San Francisco, Page 5. Grand jury indicts Brown, Bartnett and Treadwell for wrecking California Safe Deposit Bank. Page 4. ingressman Ellis admits agreement be-tween himself, Fulton and Hawley to support Blugham for United States Dis-trict Attorney. Page 7.

Commercial and Marine

Sale of large block of Independence hops. Wheat drops 3 cents at Chicago. Page 13. further gain in stock prices. Page 13. amer Annie Comings sunk in colli with French bark Europe. Page 12. Portland and Vicinity.

W. M. Ladd will guarantee payment of all deposits in Title Guarantee & Trust Com-pany Bank. Page 1. German-American Bank probably will take over defunct Oregon Trust & Savings Bank. Page 1. nator Fulton discusses a variety of tonics

Gus Lowit charged with grand larceny in removing goods from Golden Eagle store. First car run over Oregon electric from Salem to Portland. Page 14.

chool levy fixed at 3 mills and bonds for new high school recommended. Page 9. ouncil adopts tax levy of 4.6 mills for municipal expenses. Page 8.

TAFT'S RESPONSE TO THE INTERESTS

Panic Mainly Due to Dishonest Finance.

WHAT ROOSEVELT WARS UPON

Only Influences Which Tend Toward Monopoly.

**GUARDS HONEST BUSINESS** 

secretary Tells Bostonians What Caused Panic and Says Socialism Will Come if Moneyed Oligarchy Grows Up.

BOSTON, Dec. 30,-Greeted with cheers as "the next President of the United States," a topic which he carefully avoided in his own remarks, Secretary of War William H. Taft tonight delivered his first public speech since his globe-trotting tour at the annual banquet of the Boston Merchants' Association, at the Hote The banquet closed a long and stren-

ious day for the Secretary of War, during which he delivered a brief address before 400 members in the morning and attended a reception and spoke before a gathering of Jews of the city at the Ely During his slum Club in the afternoon. visit to Boston, which ends tomorrow morning, Mr. Taft is the guest of Samuel Mrs. Taft.

Gathering of Notables.

A more notable gathering of prominent and representative men has seldom been seen in Boston than that which greeted the Secretary tonight. In the banque hall beautiful decorations adorned the tables, which provided for the seating of more than 500 guests, while behind the speaker's table were a great many flags. Seated on either side of the chairman were the speakers and guests of honor included Mr. Taft. Congressman Sherley, of Kentucky; Lieutenant-Gov-ernor Eben S. Draper, of Mossachusetts; Mayor John Fitzgerald and Rt. Rev. Willlam Lawrence, bishop of Massachusetts.

As the Secretary arose to speak, the guests all stood up with him and filled the air with long-continued cheers. Calls for Secretary Taft, the next President of the United States." were heartly responded to. Mr. Taft then delivered his speech, which he read from manuscript, making no additions or for the Presidency or other topics:

After alluding to his New England ancestry and education and to the lack of interest in the Philippines, Mr. Taft began a discussion of the recent panic, its causes, effects and relation to the policy of the administration. He attributed panics in general to the conversion of loanable capital into investments less and less convertible and to waste of money in unwise enterprises, extravagant living, wars, etc. For eight or nin nonths there were many indications that this loanable capital was near exhaustion, until the soundest railroads and other enterprises could not borrow money. This condition extended all over the world. He continued:

What Destroyed Confidence

secondly, the conclusion cannot be avoided that the revelations of irreg-ularities, breaches of trust, stock-job-bing, over-issues of stock, violation of laws and lock of rigid state or National supervision in the management of some of our larges surance companies, railroad companies, tion companies and financial corpora shocked investors and made them withhold what little loanable capital remained avail-able. Such disclosures had more effect prob-ably abroad than they had here, because here we were able to make distinctions, while there, at a remote distance, the revelations created distrust in our whole business fabric. When, therefore, two or three institutions. banks and trust companies, supposed to be solid, were found to have their capital im-paired by stock-jobbing of their officers, the public were easily frightened and the run on banks began.

It would seem that our system of currency not arranged so as to permit its volume to be increased temporarily to counteract the sudden drain of money by the hoarding in a panic. It is probable that the stringency, which reached its height on that dark day of October 24, might in part have been allested bad we had a currency which could automatically enlarge itself to meet the tremonth, while public confidence was being restored. The National Administration, to-gether with many of the large capitalists of New York and elsewhere, put their choulders under the load and by various devices of an present condition of gradually

Effects Not as Bad as in 1893. He predicted that the consequences of the recent panic would not be so longdrawn-out as those of the panics of 1873 and 1893, because we have a solid currency, with no agitation against the gold much solider foundation and the balance of trade is with us. He described how oss of confidence destroys credit and renders helpless financially men who properly count themselves millionaires. jury to business is more or less perma pent. Then the sufferers begin a discus sion of the cause. Recent history has given certain elements in the business and political community exceptional opportu

nities. He then continued: municipal expenses. Page 8.

City Attorney instructed by Council to investigate draymen and retail grocers organizations under anti-trust law. Page 8.

Let me invite your attention to more panizations under anti-trust law. Page 8.

gle between the National Administration and certain powerfut combinations
in the financial world. These combinations, for lack of a better name, are
called "trusts." They engaged in different
lines of manufactures and production and by
amembiling large amounts of capital into one
mass in a partitular line of business, managed by artful and skillfully fevised, but illegal, methods of duress, to exclude competition and monopolize the trade. They became
the dictators to great rallroads, however pow-

time both laws were but dead laws upon the

Policy of Roosevelt. The purpose of the Administration of Mr. Roosevelt was to make those men, however

W. C. Bristol, Special Counsel for the

State and for the American Surety

Company in Matters Relating to

The Title Guarantee & Trust Com-

hose who were making the statutes a dead

those who were making the statutes a dead letter should be subject to restraint by injunction processes and punishment by indictment—not as a matter of revenge, not to gradity the exercise of power, but to eradicate systematic lawlessness from our business system. In this struggle the Administration has been greatly aided by the popular sympathy awakened by revelations as to breaches of trust by the managers of some of the great insurance companies; by revelations as to mismanagement of the internal affairs of great rallroad companies; by the disclosure as to the enormous amount of rebates extorted from the railroad companies by those trusts, and the conncience-

of redates extorted from the railroad com-panies by those trusts, and the conscience-less stock-jobling and over-issue of bonds and stocks shown to have occurred in the management of some of our great corpora-tions. There was a moral awakening among the people, and the hands of the Adminis-

On the other hand, the men and the in

terests which were the subject of attack were not idle. They had their partisans—

guilty and innocent. The guilty, of course wished to defeat the Administration by any

means. The innocent were those who had become involved with trust magnates in legitimate business transactions and to whom the attitude of the Administration seemed to be general opposition to the whole

One of the great manifestations, one of

Criminals Blame Roosevelt,

The agents and sympathizers and defend-

ers of the trusts and other innocent but

on were held up in the work which i

ANGRY MOTHERS tion and monopolize the trade. They became the dictators to great railroads, however powerful and by threatening a withdrawal of patronage, secured unlawful and discriminating rates greatly increasing their profits and still more completely suppressing competition. Managed with conspicuous business ability, these trusts went into legitimate foreign trade and largely increased our country's trade. The profits which they realized enabled them to engage in other enterprises, carried on by legitimate methods until the hold which they acquired in the business community gave them a position of vantage it seemed hopeless to combat. The basis of their original success and the maintenance of their power was the violation of the Sherman anti-trust law and the interstate commerce lisw, and for a time both laws were but dead laws upon the Girls Are Tortured by Secret Society. ORDEALS MAKE ONE HYSTERICAL

Campaign Against Organiza. Roosevell was to make those men, however powerful and wealthy, to know that the laws upon the statute books were living laws and must be obeyed. It was not proposed that the legitimate enterprises that were carried on with the capital of those men should be destroyed. It was not proposed that the foreign trade which inured to the benefit of the whole country should be struck down, but it was determined that

CANDIDATE TELLS SECRETS Imagining Simulated Tortures Are Real, She Faints Under Supreme Test. Then Tells Mother Who Starts Extermination War.

> NEW YORK, Dec. 30 .- (Special.)-The erve-racking terrors of an initiation into a Greek-letter society of girls, students in private and preparatory schools in the city, caused a meeting of 20 angry mothers at the home of Mrs. Elizabeth Moore this afternoon. Their first purpose is to break up the local organization of the Sigma Gamma Society, and their second is to start a campaign throughout the country against secret societies among It was the story of Julia Mills, not yet

tions in Schools.

17, as told by her to her mother, that aused Mrs. Mills to take the first steps against what she considers a dangerous organization. There are 26 members of the local chapter. Miss Josephine Moore, daughter of Mrs. Moore, is the high priestess.

Scared Into Hysterics. Julia Mills was "initiated" Saturday night. The girl staggered home half hysterical, and Mrs. Mills demanded an explanation. Fairly burning with indignation, she repeated the story today at the

The initiation was held at the Moore

home. Miss Mills, according to her story,

was summoned to appear there last Saturday. When she was ushered in, she was led into a dimly-lighted room between two columns of black-robed, blackasked figures up to the high priestess. "Are you prepared to undergo ordeals to prove yourself fit to become a sister of this order?" solemnly asked the priest-

meeting of the mothers.

Some of the "Horrors." "I am," she answered, and was led to an ante-room. At a signal she was led back to the assemblage and told that after this first test there could be no turn-

"This will be a test of your fortitude, of your fitness to be a sister. You are ordered to thrust your hand into a small caldron of molten lead, which you see before you. Ready, obey orders.' Miss Mills dashed her hand into the

liquid and sank to her knees in fright After she recovered her composure in part she was surprised to note that the

One of the great manifestations, one of the monuments in this moral progress was the passage of the railroad rate bill. It met the opposition of many of the railroads, not because they were in sympathy with the trusts, for I think they in many respects had been more sinned against than sinning, but because they resented the close control, that rigid supervision which the public demanded in view of the possibilities which the disclosure as to their past transactions revealed. The fight made by the Administration has been a noteworthy one. And now, after a victory has been won, after there has been introduced into the bearts of all men, and especially of these leaders, these trust managers and financial opponents of the Administration, the fear of the law, the panic comes on caldron was filled with mercury, Again she was led into the ante-room and brought back blindfolded. A droning voice told of a clammy hand, which each of the beloved sisters had grasped before becoming one of the order. A priest ess was ordered to bring in on a tray the hand. The candidate was ordered to graps it. Shuddering, she involuntarily financial opponents of the Administration, the fear of the law, the panic comes on. The trust magnates, solidly intrenched with great financial resources, are not the ones to suffer the most from it. It is the men who have had no such lawful or fruitful method of making money, the great body of business men and wage earners. This is the feature of the panic that arouses one's deepest sympathy and regret. drew back her arm when she felt the clammy fingers. She was led back blindfolded into the small room, ignorant of the fact that she had grasped a we chamoisskin glove filled with sand, and

not a human hand. Again she was led forth, this time to drink a nauseating liquid out of a skull, which liquid would "serve to make her The agents and sympathisers and defenders of the trusts and other innocent but mistaken persons now rush forward to place the blame of the present conditions upon the Administration. They seek to use the panic as an argument for giving up the moral victory which has been won. Apparently, they would take a retrograde step back to the conditions which existed five or six or ten years ago, when, unhampered by State law, those trusts were building the financial bulwarks behind which they are now fighting. They rely upon the soreness and mental strain and suffering through which all the honest business men of the community have had to pass as a golden opportunity for driving home their attacks upon the Administration and paralyzing the conward movement toward the supremacy of the law.

It is said that the policy of the Administration has been directed for the last four years against organized capital and that it has thereby frightened investors. I deny it. The course of the Administration has been directed against such organized capital as was violating the statutes of the United States—and no others. It had every consideration and desire to assist organized capital which was engaged in legitimate business. It is true that the execution of the policy of the Administration has involved the bringing to the light of public criticisms the violation of the law by influential and powerful corporations, and their prosecution. Through the investigation of National and State tribunals, there have been revealed as I have allerady said. of one blood with her other prospective " Revolting at each gulp, she was compelled to drain the skull. So the nerve-racking tests went on.

Faints at Supreme Test.

Finally the voice of the priestess was heard to say: "Now for the final, supreme test Gather all your remaining courage and prepare for the most severe test of all. Faithful guardians, lead the candidate to an ante-room, strip her to the waist, bind her arms behind her and then bring

In a few moments the girl, now almost hysterical, was brought back. Then the same droning voice went on.

"In order that this ceremony be indelibly fixed on your mind it is necessary that the letters of our beloved fra ternity be burned upon your back in acid. Guardians, brand the candidate." At the first touch Miss Mills sank senseless to the floor. When she had branding had been done with a piece

REJECTS MURRAY'S OFFER

Labor Leader Will Not Settle Montana Telephone Strike.

HELENA, Mont., Dec. 30.-The last proposal of General Manager Murray, of the Rocky Mountain Bell Telephone Company, has been rejected by Alexander Fairgrieve, of the Montana Federation of Labor. Mr. Fairgrieve points out that he once offered to submit the whole matter to arbitration, which Mr. Murray de-clined, but now the latter desires to submit the matter to such a board, of which he names two members, leaving the unions to name the third member Witnesses in the contempt proceedings Judge Hunt, arrived from Butte today,

Only Arraigned Dishonest,

It is said that the Administration has arraigned the whole business community as dishonest. I deny it. The President has condemned the lawbreakers. He has convinced those who have unlawfully accumulated enormous powers and capital that they are not immune. He has put the fear of the law in their hearts. They have been cuts enough to attempt to protect themselves by giving the impression that his action has been directed against the whole business community. It is true that the (Concluded on Page 3.)

fluential and powerful corporations, their prosecution. Through the inve-tion of National and State tribunals have been revealed, as I have already breaches of trust, stock-jobbing, over-of stocks and mismanagement in son

our largest corporations. They have properly been severely condemned by all, in cluding the President.

cluding the President.

Knowledge of those things doubtless affected our credit in Europe and hastened the panic; but those who are morally responsible for such a result are the guilty managers, not those who in the course of their official duty have made known to the business world the facts and commented on them.