

BANK HEARING IS NEARING CLIMAX

Oregon Trust Affairs Will Result in Criminal and Civil Actions.

LOOKS BAD FOR OFFICERS

Moore, Morris and Their Clique Are Shown Up in Bad Light in Many of Preferred Financial Deals of Wrecked Bank.

It is now only a matter of hours when the work of the investigators into the wreck of the Oregon Trust & Savings Bank will be completed and the result of their findings become known. From what has already been made public it is acknowledged that both criminal and civil actions will be brought against those responsible for the looting of the depositors' money with the double purpose of forcing restitution and bringing punishment upon the guilty men. For many weeks the firm of Lester, Herrick & Herrick, through their local manager, John Y. Richardson, and a corps of assistants, have been delving into the mass of complications found in the disordered condition of the defunct bank's books to trace out the various transactions upon which either civil or criminal action might be based, and to fix the identity of the men involved in the deals which ended disastrously for the Oregon Trust & Savings Bank.

Until the report is finished and placed in the hands of the grand jury for investigation it is not known what criminal action will result, although it is believed that more than one of the officials of the institution may have to stand trial before the affairs of the bank are finally wound up.

Many Involved in Case. It is believed, however, that not only W. H. Moore, Henry A. Moore, E. E. Lytle, W. Cooper Morris and Leo Freide, who comprised the board of directors at the time the bank went to the wall, but that W. H. Copeland, L. O. Ralston and Albert T. Smith, who were formerly on the board, will be made a party to the suits. In addition to these men, other persons who were connected with the bank, will be made a party to the suits. In connection with the Pacific & Eastern Railroad deal, and it is rumored that Louis J. Wilde, in connection with the purchase of the telephone bonds of the Oregon and Puget Sound companies, will be made co-defendants.

Cooper Morris Deep in It. The suits will be grouped and filed against the various men mentioned according to the transactions which took place during the time each was in office in the bank. In the case of W. Cooper Morris, who was probably involved in all of the suits, as he was connected with the bank from its inception until the doors closed, the directors will be called upon to pay up for all of the money lost by bad loans and the shortages which existed at the time the bank failed.

An estimate of the dead losses in the transactions which were probably within the full knowledge and consent of the directors is as follows: Order of Washington, \$4,900; Lafa Pence, \$9,000; loans and discounts unaccounted for, \$13,000; Golden Eagle Dry Goods Company, \$7,000; John Barrett Company, \$20,000; Board of Trade Building Company, \$41,000; Washington Railway & Power Company, \$40,000; and notes withdrawn, \$20,000, and the Pullman Auto Car Company, \$14,000, making a total of \$142,900.

Morris Did Dirty Work. The Order of Washington was a fraternal organization, notoriously insolvent for years. W. Cooper Morris acted as its treasurer. Yet between the time Morris was elected cashier and one of the directors of the Oregon Trust & Savings Company and the time the bank failed, loans were made to the Order of Washington for \$50,000, mostly in overdrafts, about \$40,000 of which remains unpaid and which, with the interest upon this sum, was a total loss. When the bank failed the Order of Washington failed, too, it having no further means of support, and the books of the organization were whisked away. They are not now available.

Lafa Pence was one of the bank's unprofitable promoters. The losses from the loans and discounts will be close to \$115,000. Even in the tangled up condition of the books records of \$71,900 in securities supposed to have been bought by Morris and Cooper, while the receiver was able to find securities for \$25,000 only. These run over the entire period of the bank's history and will involve all of the officers. The books also show the picturesque business career of the Golden Eagle, which was started on September, 1905, without capital, except Gus Lewis and Morris, and which in a business career of two years had used up \$25,000 with only assets of \$50,000. Money was advanced to Lewis even up until the bank closed and his account showed a balance of \$2,000, all of which had been advanced to him without security, apparently.

Barrett Hit Bank Hard. With the John Barrett Company, in less than two years \$25,000 was loaned without security; \$20,000 of this remains unpaid and a recent examination made for the benefit of the receiver shows that although the company had an indebtedness of about \$25,000, their stock was only inventoried at about \$3000.

Telephone Company and entered this as an investment of that date so as to account for the depletion of the resources. The Pullman Auto Car Company, which is said to have been another of Morris' schemes of which he acted as the secretary, was a small concern engaged in repairing automobiles yet during a business career of nine months it got into the bank for about \$14,000. Its account was run as an overdraft, as in the case of the Order of Washington, without security.

The history of the Pacific & Eastern Railroad Company savors of the same kind of manipulations. This was a railroad running six or seven miles out of Medford which was composed of twin tracks of rail and six boxcars borrowed from the Harriman lines, which Mr. O'Brien recently asked to have returned to him. It had a first mortgage against it for \$20,000. There were also holders of a second mortgage. These creditors asked for a receiver, J. F. Reddy, a stockholder of the Oregon Trust & Savings Bank, was appointed to this position.

Estes Badly Smeared, Too. George Estes, then manager of the bond department of the bank and also president of the Etateada State Bank, made a bid for the road at the receiver's sale, subject to first mortgage. The bid was \$2,500 and was accepted and in payment of the entire purchase price the bank issued to Reddy as receiver a certified check for \$2,500 and there being anything in the bank in the way of security for this advance. Upon the representations of the receiver to the court

FOUR BLOCKS AFFECTED BY DEAL AT TERMINAL YARDS

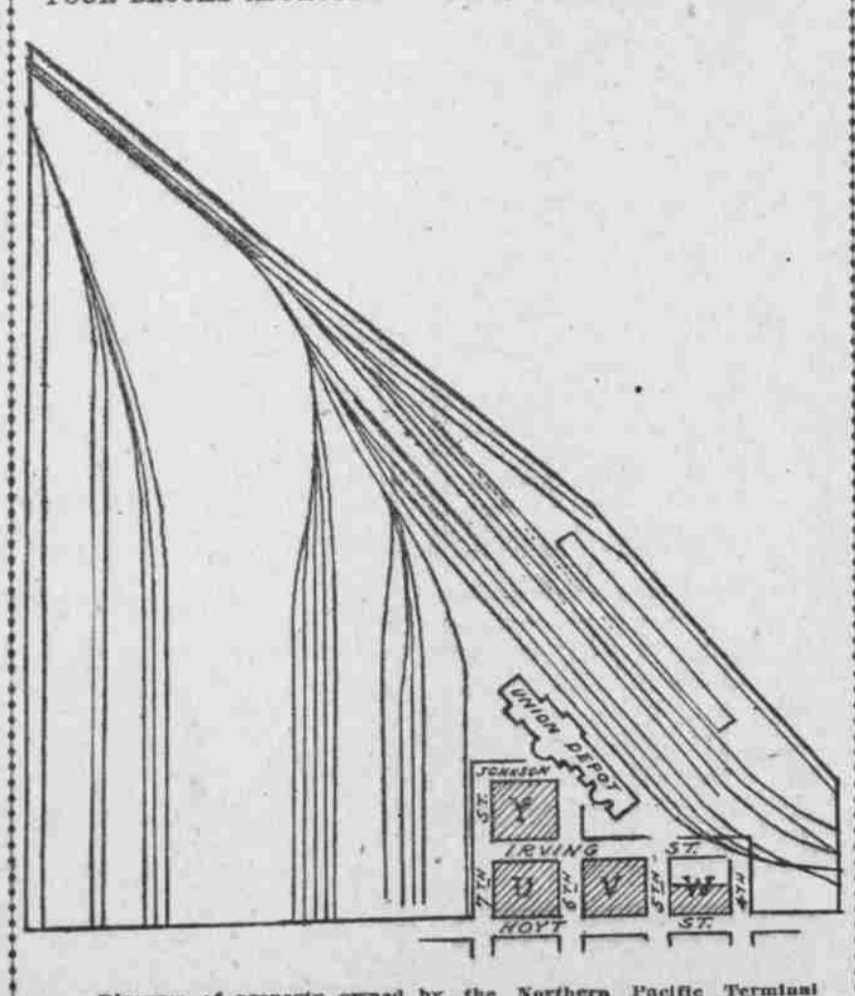


Diagram of property owned by the Northern Pacific Terminal Company showing blocks south of Union Depot, supposedly for that company. Transferred property is shown in the shaded parts of the diagram.

In Medford the court there approved the bid and authorized the receiver to leave the money in the bank. Estes, Moore and Stryker, together with S. W. Stryker, organized the Pacific & Eastern Railroad Company with a capital stock of \$1,000,000 and among themselves subscribed to \$200,000 of the stock. Then a deal of the railroad was made in consideration that each receive from the company paid-up stock to the amount of \$25,000, which was done. Then the company made a bond issue of \$100,000 and put the \$100,000 in bonds in the bank to cover the certificate of deposit and the certified check and took the difference out in cash. The receiver of the bank declined to pay the certificates of deposit on the ground that they had been fraudulently issued and in consideration of the return of the bonds returned the certificate of deposit and left the bank about \$18,000 clear.

The Telephone Scandal. In the deal of the Omaha & Puget Sound telephone bonds the bank purchased about \$90,000 of them, the majority of them being bought within a short time before the bank closed. Suit will probably be brought against the directors and Louis B. Wilde, the well-known telephone company promoter, on the theory that these bonds for which the bank paid full value in reality sold at from 10 to 15 per cent less than par, the difference being equally divided up between Wilde and the directors. This would involve about \$90,000.

In a number of cases forgeries on the books was resorted to, to cover up the dishonest transfers of the money. Notably this is apparent on the books in the cases of the disappearance of \$50,000 in cash and notes of Morris & Cooper for \$40,000; \$50,000 in bonds supposed to have been put up to cover part of the overdrafts allowed the Board of Trade Building Company and \$49,000 in bonds and warrants supposed to have been put up by the Golden Eagle, none of which was ever in the possession of the bank. As most of the transactions which would be recognized as a trespass upon the law were effected during the latter part of the bank's career, it is believed that whatever criminal action may result will fall upon the directors who were in office at the time the bank failed.

FRUIT EXHIBIT DEFENDED

Fred H. Page Says Oregon's Display at A.-Y.-P. is Maligned. The best fruit exhibit at the A.-Y.-P. fair is from Oregon, according to Fred H. Page, who returned yesterday from Seattle and who believes the display has been unjustly criticized. "Hood River has the finest exhibition of apples to be seen anywhere at the fair," said Mr. Page. "While a better showing could be made about three weeks later, still the exhibit is a highly creditable one for this season of the year, and will certainly do the state much good."

TROOPS GO ON PRACTICE MARCH

VANCOUVER, Wash., Oct. 15.—(Special.)—The First Battalion of the First Infantry, consisting of four companies of 60 men each, and ten commissioned officers, or 250 men in all, left Vancouver barracks yesterday for a three-days' practice march. Last evening they camped at Elliott's farm 12 miles out, at the target range. Today they marched over the Washougal river toward the new farm, where they will camp tonight. Saturday they will march back to their quarters in the barracks.

Trunks, suitcases and bags. Largest variety at Harris Trunk Co.

OREGON ELECTRIC PLANS EXTENSIONS

President Moffat Says Line Will Run as Far South as Roseburg.

SURVEYORS NOW IN FIELD

Official Will Study Situation and Will Probably Announce Immediate Construction Before Return.

George Bradley Moffat, president of the Oregon Electric Railway Company, arrived from New York yesterday to look

HEYMANS IS NOT GUILTY

JURY FINDS HE DID NOT FORGE DEATH CERTIFICATE.

Accused Man Lays Suit to Dr. William Eisen, Saying Trouble Caused Simply in Revenge. Dr. Ernest G. Heymans, who was on trial in Circuit Court on a charge of forging the death certificate of Golda W. Rowland, was pronounced not guilty by the jury in the case last night.

Heymans, who was formerly manager of the X-Radium Institute, at Third and Alder streets, was accused of having made a wrongful statement of the cause of the death of the girl, which he said was due to septico-endocarditis, and of signing for the name of Dr. Cora C. Talbot, without authority, to the death certificate. Dr. William T. Eisen was one of the important witnesses against Heymans in the case in the original trial, and this had caused the present difficulty.

Deputy District Attorney Vreeland, in his final argument to the jury, delivered a scathing denunciation of Heymans for putting Dr. Talbot before the public as "Dr. Mary Lane," when he knew her true name, and had her medical certificate with her true name thereon in his possession.

The starting assertion was made on the witness stand by Dr. William T. Eisen that Heymans was retreating the day that Golda W. Rowland died. He asserted that in trying to lift the girl's body, Heymans dropped it on the floor. Eisen said Heymans met him on the street and told him the girl was sick, but that when he went to the institute where she was supposed to be receiving attention, he found her dead.

Dr. Heymans was squelched by the court yesterday morning when he took the witness stand and started to heap maledictions upon Dr. Eisen's head for testifying that he (Heymans) was drunk the day the girl died. Mrs. L. Rowland, mother of the dead girl, testified yesterday that she knew Dr. Talbot at the institute as "Dr. Lane." This was in spite of the testimony of Dr. Talbot that she never went under the name Dr. Lane, or the name Dr. Mary Walker. Mrs. Rowland said she paid "Dr. Lane" \$65 a balance due on a bill for \$100 for medical services.

CONSPIRACY TO KIDNAP BRIDEGROOM FAILS

Students Discuss Plot on Car, With Result That Dr. and Mrs. L. D. Johnson Outwit Them.

WHEN the students at the medical department of the University of Oregon next plan a lively charivari on a former member of the college they do not intend to discuss their plans on a Twenty-third-street car. Dr. Talbot, that member of the class discussing the joking propensities of the embryo medics in streetcars will be promptly placed on an official blacklist. As they left the college Thursday afternoon several students perfected their plans for kidnaping Dr. Leslie D. Johnson, who was to marry Miss Leah Drain at her home in a motor that afternoon. The sale by the Oregon Electric Railway Company of preferred stock and \$5,000,000 of common stock has been authorized. Of this amount, \$1,500,000 of preferred stock and \$2,000,000 worth of bonds have been sold. The remainder is to be disposed of as the extensions of the lines may demand.

ASYLUM FEELING PROBE

Grand Jury Investigates Crystal Springs Sanitarium. Investigation by the grand jury of the Crystal Springs Sanitarium, conducted under the direction of Dr. R. L. Gillespie, has been instituted. Yielding to rumors of brutal treatment given patients, District Attorney Cameron summoned two witnesses before the jury yesterday. It is said the death of David Murphy, who died at the institution May 24, is surrounded by suspicious circumstances



BIG STORE VALUES

Is what you will always find at "The Lion." Our Fall showing is proving quite a magnet and the Shoe Department is a very busy place. You will not wonder at this when you see our LION SPECIAL MAN'S SHOE AT \$4.

LION CLOTHIERS

166-170 Third St.

and will be looked into, for it is believed that just before his death he was subjected to blows and kicks by two guards of the asylum. Patients who have been held under restraint while in a sane condition, it is said, will also figure in charges, as will the resident patients who are said to be made to work under brutal conditions and lack of care. The suicide of Mrs. M. T. Jenkins, who and her three children are inquired into, for it is alleged that brutal treatment so worked upon a weak mind as to drive her to the desperate deed, at Tigon, Alaska, was one of the witnesses before the jury. It is thought some of the patients now confined there as well as their attendants may be summoned before the investigating body.

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Laurelhurst The Addition with Character

This is a residence park of unequalled merit that is just a little better than seems necessary. Do you know what it will cost you to secure a fine fifty-foot lot in LAURELHURST? Let us show you. We have no cheap lots, but have a large number of very low-priced lots.

- For example, we have: 24 lots at \$750 to \$850 each. 65 lots at \$900 to \$1000 each. 240 lots at \$1050 to \$1200 each. 175 lots at \$1250 to \$1400 each.

and some large-sized TRACTS equal in size to two or three ordinary lots, at prices as high as \$3500 each. Only one home is allowed on these large tracts.

You can go blindfolded and pick out a good lot in LAURELHURST, because there are no poor ones. And the prices! We know they are lower than they should be, but we want you to have the opportunity to share with us in the benefits of the increasing values.

This afternoon or tomorrow would be a good time to see LAURELHURST. It will take only 15 minutes to get there by either the Rose City Park or Montavilla car lines. Both run through the property. You had better take the Montavilla line, however, as it runs by our office on the ground at East Thirty-eighth street.

We will take you out if you will telephone and make an appointment. If you have seen LAURELHURST and want a high-class home, you had better call at our downtown office and talk it over with us. We can do business.

Chas. K. Henry Co. Laurelhurst Co. Henry Building. 522 Corbett Building. Phones: Main 2565, A 5234. Phones: Main 1503, A 1515.

burg, en route for Myrtle Point, where they will reside. Dr. Johnson is well-known in Portland. He graduated this year from the University of Oregon at the head of his class. He was the leader of many class pranks himself and the students are much elated that they were unable to "get even." This is the second streak of bad luck that the students have experienced, the sophomore class recently making a conspicuous failure of its endeavors to initiate the freshmen.

Good Things in Portland Markets

OCTOBER is, of course, above all other the fruit month. The grapevine and apple-branch scepter are always seen in October's portfolio. A wreath of cauliflower and a bouquet of celery are certainly less poetic and decorative, but scarcely less appropriate for the autumn season. The highest quality mushrooms are, however, seldom for sale, but are gathered by the consumer in the early morning and cooked and eaten with their dewy plumpness and delicate flavor unimpaired by marketing. It does make a difference. Many people, however, prefer mushrooms when they taste only of dollars and are unobtainable by the ordinary housewife. New this week among vegetables are savory cabbage, large yellow tomatoes, and sweet chestnuts—one of the signs of approaching Halloween. Spinach, peas, Brussels sprouts, chicory, shell, green and Lima beans are all lower in price than last week, but corn is up to 40 cents a dozen. Celery root, celery hearts and good plain stalk celery are all plentiful. Artichokes come two and three for a quarter, and okra is 20 cents a pound. Peppers, both green and red, stout and slim, are much to the fore, and so are yielding cucumbers, green tomatoes and small onions. There is a fair supply of red tomatoes at 65 to 75 cents a box. The fruit stands are a feast of color just now. Apples are coming in in larger quantities. Grapes are still plentiful and beautiful and cost from 20 cents to 35 cents a basket according to kind. Concord are both cheap and plentiful, and the wise housekeeper will make ample provision for grape desserts during the winter. Citron melons for preserving are new this week, as are raspberries, at about 30 cents a box. There is quite a showing of Oregon strawberries at 25 to 35 cents a box. Huckleberries are quite plentiful at 15 cents a quart, and new Cape Cod cranberries are now to be had at about the same price. Quinces, at 5 cents a pound, suggest old-time luscious preserves. There are fine pears at 15 to 25 cents a dozen and peaches at 20 to 40 cents. A few ground cherries and wonderberries are still to be seen. Poultry is decidedly lower in price this week, so now is the time for a good chicken dinner. Hens are to be had at 18 to 20 cents a pound and "spring" at about 20 cents. Turkey costs 25 instead of 30 cents; ducks 22 to 25 cents, and geese 17 to 20 cents a pound. Belgian hares are also available at about \$1 each. There is the usual good variety of fish. Crabs are particularly low in price this week, so now is the time for a good crab dinner. Lobsters are plentiful at 40 cents a dozen, and crawfish at 35 to 40 cents a dozen. Fresh herring is in again and should help with the what-to-have-for-breakfast problem. Black bass costs 35 cents a pound, and striped bass 30 cents. Catfish, shad, halibut, grayling and shrimps all sell at about 15 cents a pound. Silver smelt cost 12 1/2 cents; salmon, 19 to 22 1/2 cents; flounder, perch and herring, 19 cents a pound.

Boy Drowns From Skiff

ASTORIA, Or., Oct. 15.—(Special.)—The 8-year-old son of Ramus Rasmussen was drowned in the Columbia River off the city front about 5 o'clock this evening by falling overboard from a skiff in which he was playing with other boys. The body was recovered a short time afterward.

FELLOWS GROCERY CO. Creamery Butter 65c and 70c. Best Creamery 75c. Eggs, dozen 30c. Ranch Eggs 35c. Saturday—Chicken Day 18c and 20c. LaGrande Creamery 264 Yamhill Street. Hens, Spring Chickens 19c Lb. Ducks, pound 22c. Fat Geese, pound 17c. Turkeys, pound 25c. Skamokawa Butter, roll 80c. Ranch Eggs, dozen 35c. Columbia Fish Co. 340-351 Oak St. 348-350 Ankeny St. Portland, Oregon.