FUND AIDING BANK MAY HIDE FRAUD

Grand Jury Likely to Investigate Louis J. Wilde's Phone Bond Sale.

LOST CONTRACT INVOLVED

\$300,000 Paid Depositors of Oregon Trust Said to Be Wilde's Coin Paid to Cover Sum Which Was Not Refunded.

There is excellent reason to believe that Louis J. Wilde, of Omaha and Puget Sound telephone stock fame will be made the object of a searching investigation by the grand jury. The bond transaction between Mr. Wilde and the Oregon Trust & Savings Bank by which the bank bought more than \$1,000,000 in telephone bonds will be the basis of the inquiry, the object of which will be to ascertain if Mr. Wilde may be held for embezzlement.

Although no announcement has been made officially from the District Attorney's office that this course will be pursued, it is positively known that investigation have been and are now under gations have been and are now under way looking toward the indictment of the

California promoter.
Incidental to these investigations, disclosures have been made which are said to involve P. L. Willis, the well-known capitalist now at the head of the German-American Bank, President S. G. Reed, of that institution, and Thomas C. Devlin, receiver for the Oregon Trust. C. Devlin, receiver for the Oregon Trust. All three are alleged to have entered into a conspiracy with Wilde to cover the alleged fraudulent transactions of the bonds which might have been forced back upon Wilde under the provisions of the contract by which they were bought and the money thus refunded used in paying off all the depositors in each instead of part of them in bonds.

To prevent the return of the full smount of this money to the bank, Wilde and his associates, it is said, advanced

amount of this money to the bank. Wilde and his associates, it is said, advanced the \$300,000 which was used by Mr. Willie recently to pay off the remaining depositors who had claims standing against the wrecked bank.

Local Financiers Mentioned.

Conflicting with this allegation, however, was information from a reliable source received yesterday which shows that instead of this money having come from Mr. Wilde or any of his associates, infeality it came from financiers in Portland, who did not want their connection with the deal to become known to the clearing-house and arranged the transfer of the money to Mr. Willis and the German-American Bank through the Anglo-London-Paris National Bank of San Francisco, Cal.

Francisco, Cal.

The name of A. L. Mills, president of the First National Bank of this city, is mentioned as the principal who arranged the loan with Mr. Willis. Mr. Mills, who is a member of the Clearing House, had attended the meetings at which it was decided that assistance to the German-American Bank in raising the \$300,000 would be refused except on condition that the bank close and liquidate its business. It had been

cept on condition that the bank close and liquidate its business. It had been adopted unanimously that the loan to Mr. Willis would not be made.

For this reason, it is said, Mr. Mills did not wish to have it become known to his associates in the Clearing House that he negotiated this loan. That Mr. Mills made the loan is denied, however, by Mr. Willis, who, although denying that the loan was negotiated by Mr. Mills, would not deny that it originated in Portland.

one of the banks in this city, having a balance on deposit with the San Francisco bank, the story goes, merely draw a draft on their balance there, thus preventing the transaction from passing through the Clearing House of Portland. At the time the negotiations with Mr. Willis were started it is said that this bank had only a small amount on deposit in the San Francisco bank and that to increase it to the amount necessary to conclude the Willis deal drafts for more than \$200,000 were sent from Portland to San Francisco and the whole amount then sent back to this city.

Wilde Called Wily.

The intimation that he or his associates might be in any way connected with Louis J. Wilde was denied indignantly by Mr. Willis yesterday.

"I had heard that Wilde would come under the investigation of this bank, but had considered him so willy that he could squirm himself out of the way of the grand jury.

"The rumor that Wilde had appring.

The rumor that Wilde had anything "The rumor that Wilde had anything to do with the payment of the \$500,000 is false. That money was all mine: every cent of it. Wilde did not put up a nickel of it. The money was lent on my own personal securities and came to me from a private source, not a banker. I can readily prove that Wilde or his associates had nothing to do with it. "The very idea that he would have had anything to do with this deal is surprising to me, as he has never been very friendly to me, or, as far as I

surprising to me, as he has never been very friendly to me, or, as far as I know, to Mr. Reed or Mr. Devlin. All his acts have been unfriendly to the German-American and he has not operated with us.

"I, personally, had thought that Wilde had not done the right thing at all. I haven't the slightest doubt as to the honesty and integrity of Mr. Reed and Mr. Devlin, however. The whole story is an utter falsehood, started by someone for some purpose unknown to me."

Devlin to Resign.

Mr. Devlin sald: I don't know where Mr. Willis got the 830,000, but I don't believe that Wilde or any one remotely related to him had anything to do with it. I am preparing my report for the court and will tender my resignation. ion from the German-America resignation from the German-American Bank at the next meeting of the board of directors. I am too busily engaged on the work of the receivership to mointain my duties as cashier of the bank, and for this reason will ask for the acceptance of my resignation."

The next board meeting will be held within a few days.

The charges against wilds have recom-

The charges against Wilde have grown The charges against Wilde have grown out of the reveletions, made for the first time in the trial of W. H. Moore, that the contract for the talephone bonds stipulated that the money paid for them might be demanded in return and the deal repudlated within a certain period, which did not expire until nearly a month after the Oregon Trust & Savings Bank had suspended payment.

Wilde, knowing this condition of the sale, the prosecuting officials will contend, should have made this known, but instead willfully concealed it and com-

instead willfully concealed it and con spired to hide the contracts which would spired to high the contracts which would free him from the enforcement of this clause. Inasmuch as the funds of the hank were invested in these bonds in violation of the by-laws of the corpora-tion, which strictly prohibited the investment of the savings deposits except

In certain approved securities, the purchase of the bonds will be held in court, it is believed, as an embezziement.

Wilde's attempts to conceal this make him liable as alding and abetting the embezziement, and under the Oregon statutes one alding and abetting a crime may be tried for the commission of the crime. Under this reasoning Wilde will, in all probability, be called upon to answer to the charge of embezziement. It is also said that Receiver Devlin may be asked to explain some transactions which he had with Wilde without the knowledge or permission of the

may be asked to explain some transactions which he had with Wilde without the knowledge or permission of the
court. It is said that he paid Wilde
about \$3,000 in cash in settlement of a
claim a short time after the bank closed
without getting bermission of the court,
thus making Wilde's claim preferred over
those of the depositors.

It is also intimated that a civil sult
may be instituted against Wilde by the
bondholders in this city seeking to
compel him to refund the purchase price
of the bonds alleging that the money
had been obtained and held under fraud.
Wilde acted as a broker for the Portland Home, the Tacoma Home, the
Northwestern Long Distance, and the
Omaha Home Telephone companies. The
National Securities Company of Los Angeles, Cal., were the underwriters of
the bonds of them all except the Omaha
bonds. M. V. Meade, manager of the
National Securities Company is Wilde's
brother-in-law. Wilde sold the bonds
to the Oregon Trust & Savings Bank
and received an enormous commission
which was shared it is said with the and received an enormous commission which was shared, it is said, with the

Commission Believed Enormous.

It is said that ignorance of the refund tained by all concerned to prevent the return of this commission, which is said to have reached an enormous sum. One authority in the case in a position to be well informed has offered the opinion that the owners of the bonds did not receive more than 50 cents on the dollar out of the original purchase.

At the time the bank closed the contracts between Wilde and the bank could not be found. The contract for the Omaha bonds has never been found. After the criminal prosecutions were begun search was made in the bank and Receiver Devlin found the contracts for the other bonds tucked away in a safe doposit vault. The terms of this document, he said, had been unknown to him. Mr. Moore said that he was not aware of the clause about the return of the money and passes this point for explanation up to M. Cooper Morris, who, he says, drew up the contracts and should have known what they contained.

Mr. Moore says these contracts were signed with the knowledge and consent of the full board of directors, including Mr. Lytic and Mr. Friede. The prosecuting officials say that the truth about the contracts will be ferreted dut and it is intimated that at the same time it will be defintely known how and by whom the loan of \$300,000 to Mr. Willis was made.

A man close to the friends of Wilde says that the Investigation of the allega-

A man close to the friends of Wilde says that the investigation of the allega-tions that Mesers. Willis, Reed and Dev-lin have made a deal with Wilde will prove this rumor to be untrue. Wilde, he said, secured commission out of the deal, but had no deeper relations with

the National Securities Company.
Wilde is now in California, but is expected to come to Portland to fight the charges which may be filed against him.

CLERK FIELDS GIVEN CAKE

Four Strong Men Can Barely Carry Birthday Present.

It was all four husky deputy clerks could do to carry into County Clerk Fields' office yesterday morning the ponderous birtiday cake presented to him by his deputy clerks, staff of stenoghim by his deputy clerks and cares for the great volume purposes and cares for the great volume purposes and cares for the great was all the country clerks. him by his deputy clerks, staff of stenographers and friends in the County Clerk's office.

The occasion was the 48th anniversary

The occasion was the 48th anniversary of Mr. Fields' matal day and, while everyone was most careful to avoid any allusion to his approaching gray hairs, the most felicitous speeches were made both to and by Clerk Fields.

Towards evening Clerk Fields was clearly bothered whether to keep the wonderful cake on exhibition at his office or transport it to his home. He fragile nature made him somewhat chary of intrusting an expressman with the enormous piece of pastry, covered with the pink and white decoration. Eventually be decided to call a carriage, and obtained the assistance of the office staff to move the cake.

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DEAL CLOSED FOR \$25,000

H. H. Prouty Acquires East Side Property in Holladay Addition.

H. H. Prouty has purchased a half block located on East Third street, ex-tending from Hassalo to Mulinomah streets, from W. L. Archambeau for \$25 .streets, from W. L. Archambeau for \$25,-000. The property is described as the west hulf of block \$5, Holladay's Addition. Two modern residences, one cornering on East Third and Multnomah streets and the other on East Third and Hassalo streets, occupy the property. The deal was negotiated through the agency of the Standard Realty Company.

Between the two residences there is

L

Commercial Club Committee Welcomes Three Members on 1910 Body.

TOM RICHARDSON MAY STAY

Appointment of Manager of Publicity Duty Which Develops on Newly-chosen Organization. 27,000 Hear of Oregon.

Harvey Beckwith, president of the Commercial Club, yesterday named the men bers of the new executive committee of that organization for 1910. With the exception of three, all the former members of the executive committee were re-

named. The new members of the committee are: Harvey Beckwith, who, by virtue of his position as president of the club, is made position as president of the club, is made a member; E. L. Thompson and C. E. Jackson, Members of the old executive committee who have been reappointed are: T. B. Wilcox, chairman; J. C. Ains-worth, A. L. Mills, W. F. Woodward, Walter F. Burrell, William M. Ladd, George F. Johnson, Frank B. Kerr, W. J. Hofman, B. S. Josselyn, I. M. Fleischner and A. H. Devers.

Richardson May Be Renamed. One of the first duties to be attended to by this committee will be the appointment of a manager of publicity. Tom Richardson has been filling that position of late years, and it is believed that he will be reappointed. Mr. Richardson's contract with the club expired January 14.

The Portland Commercial Club has two functions, the advertising of Oregon and the entertainment of visitors and newcomers. Of late the club has gained distinction for its expensive campaign of promotion for Oregon at large, appropriating \$60,000 a year for that purpose.

It is estimated that the literature of the Commercial Club, descriptive of Oregon, has reached 27,000,000 people in all parts of the world. There have already been received this year 10,000 One of the first duties to be attended

Oregon, has reached 27,000,000 people in all parts of the world. There have already been received this year 10,000 letters of inquiry, resulting from the club's advertising of the state.

Some idea of the amount of correspondence done by the Commercial Club in its work of promotion may be seen from the fact that during 1905, the club paid out \$3151.62 for postage stamps, although much literature and mailable material was sent by express.

Affiliated with the Portland Commercial Club in its campaign of promotion for the state, are 108 other organizations belonging to the Oregon Development League, which represents every district of the commonwealth. While the Commercial Club co-operates with the smaller organizations, the latter pay the expenses only of advertising their respective localities, while the Commercial Club bears the full expense of the general advertising of the state.

of correspondence daily, but also sends regular news letters to periodicals all over the country, the purpose being to familiarize the world with what is be-

Deaf Man Is Struck by Train.

YAQUINA, Or., April 13.—(Special.)— H. Gillette, of Toledo, was struck by the Corvallis & Eastern train near Toledo and seriously injured last night. As yet he has not fully regained consciousness. Mr. Gillette, who is 72 years old, was returning from Altress sawmill, where he is employed, walking along the track with his head down. Being very deaf, he did not hear the train approaching. The engineer could not see him on account of being obscured by a curve in the road. Gillette was quickly removed to a nearby farmhouse, owned by his son-in-law, Edwin Stanton. He may re-

Avlator Burkhart Visits Portland. Between the two residences there is a large vacant space over 100x100 feet in size. This part of the property Mr. Prouty will at once improve with a large modern apartment-house. It will be billiane alreship, left last night for built of brick.

E

THREE NEW SUBDIVISIONS NOW SUGGESTED WITHIN

BOUNDARIES OF LANE AND DOUGLAS.

N

SEUGENE

ROSEBURG.

BOUNDARIES OF LANE AND DOUBLAS COUNTIES

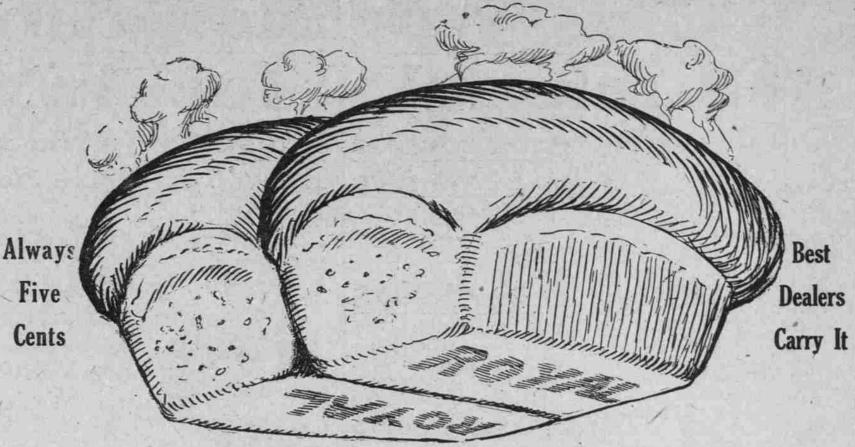
UMPQUA COUNTY NESMITH COUNTY

OUGLAS

MAP SHOWING PROPOSED COUNTIES OF NESMITH, UMPQUA AND WILLIAMS.

"Royal Table Queen" Sells Itself

See the Steam Sizzle Out of the Crisp, Crackling Crust



NOTICE THE WORD "ROYAL" IN THE BOTTOM OF THE LOAF

A FIRM could advertise ten times as much as we do, and by so doing could probably increase their output, temporarily, in proportion to the publicity given their product.

BUT if that product wasn't RIGHT, the output would decrease.

IN other words, if "Table Queen" was not the perfect bread it is, it would be folly for us to represent its merits to you by advertising.

IT is so wholesome, pure, sweet and nutritious that the family wants MORE.

IT is the one bread that can stand the test of Public Opinion.'

YOU can get it of your dealer, no matter in what part of the city you live; it comes to the store you trade with, fresh every day.

IF there is such a thing as a dealer having a Royal loaf left over from the previous day, we take it off his hands, so that you can buy nothing but fresh ROYAL BREAD of him.

TABLE

THE SCIENTIFIC LOAF Shipped Everywhere West of the Rockies

Drain Would Be Seat of One WAGNER ON JUNK WAGON Called Williams.

COTTAGE GROVE OPPOSES

Encroachment Upon the Proposed Opposition-Other Petitions Already Are Filed.

Another new county movement has been started in portions of Lane and Douglas counties, backed, it is said, principally by the citizens of Drain who have county seat ambitions. The proposal provides for a new county, to be called Williams, in honor of the late George H. Williams.

As the proposed boundaries take in large part of the proposed new county of Nesmith, Cottage Grove resiients are opposing the new movement vigorously, and whether a petition signed by a sufficient number to bring the issue to a vote next Fall is secured is yet to be determined.

Other Petitions Filed.

In any event the voters will be called apon to decide whether there shall be and the Lane and Douglas. The movement for the creation of Nesmith County, octhe creation of Nesmith County, occu-pying the east central portion of the territory embraced in Douglas and Lane, comes up on initiative petition, as does also the question of forming Umpqua County out of the northwest-ern section of the combined area. The initiative petitions affecting both pro-posed counties have already been filed and will have places on the ballot next Fall.
The leaders in the movement for the

creation of Nesmith County, it is understood, are not opposing the creation of Umpqua County, but do object to the Williams County scheme. Nesmith Advocates Active.

The Nesmith County promoters have

started an advertising campaign and have published literature giving a biography of James Willis Nesmith, graphy of James Willis Nesmith, in whose honor the new county will be named if it is created. Colonel Nes-mith held the following civil offices: Judge under the Oregon Provisional Judge under the Oregon Provisional government, 1845-46; member of the Provisional Legislature, 1845; United States Marshal, 1856-6; superintendent Indian affairs, 1856-59; United States Senator, 1861-67; member of Congress, 1878-75. Figures are given in the leaf-lets published showing that the joint area of Lane and Douglas counties, 2241 square miles, is 455 miles greater than the combined areas of Clatsop.

Columbia, Washington, Yamhill, Polk, Tillamook, Marion, Clackamas, Multnoman and Hood River counties.

There are indications that the southern portion of Douglas and the northern section of Lane counties will make a fight against the proposed division.

University, and the principals of the three normal schools regarding the rec-ommendations made in the report of the legislative investigating committee. The Governor will attend the Good Roads Convention at Chehalis Friday and from there go to Spokane.

Constable, Seizing Vehicle and Unsightly Horse, Drives Away.

Constable Lou Wagner drove a most disreputable-looking junk wagon, hauled by an as equally disreputable-looking horse through the main streets yesterday. By pulling his hat over his face the Constable endeavored to hide his identity. Following Constable Wagner's morning to the office of the Constable. They sought possession of the wagon, but to obtain it they had first to give \$216 to satisfy a debt. This they did willingly, but when it came to paying \$3 costs due the Justice Court they protested long and strenuously. Just as strenuously they protested against the payment of 50 cents to the keeper of the stable where Con-stable Wagner hid away his stately equipage.

MORE GRADING ORDERED

(Continued From First Page.) Klamath is developing into a stockshipping center, about 1000 carloads having gone out of there last year and the transfer difficulties with Hvestock from steamer to cars are not difficult.

Colonist Travel Great.

Mr. Stevens returned to Portland with glowing accounts of crop conditions and the volume of colonist travel to

ahead of even Portland," said Mr. Stevens. "Crops have a good start and the weather is like Summer. Coming through North Dakota the other day the thermometer in our car registered 87 degrees. I saw Mr. Hill a few moments in Chicago as he passed through from New York and he is very optimistic over the Western conditions in view of the crop prospect. All along the Great Northern I heard of indications of unprecedented yields.

"Westward travel is tremendous. On before No. 3, the slow train on the Great Northern, went through in sections and carried 1600 people.

"From Havre west for 112 miles whole towns have sprung into existence since I passed over the road three months ago. Along that stretch of road there are switches about every five miles, which I built myself. A few months ago at nearly every one of these switches small settlements were starting. Now many of them are full-fledged towns and in some of them I saw 125 to 150 buildings in course Wonderful Transformation Noted.

"Along other sections of the Great Northern in Montana, on land where I did not suppose, when the road was built, that one could raise a disturb-ance, there are thriving towns each with four or five big grain elevators and the country is producing big crops of wheat. These conditions are ex-tending throughout the West and are Governor Hay To Visit Schools.

OLYMPIA. Wash., April 13.—(Special.)—
Governor Hay will start Saturday on a tour of the state, during which he will hold conference with President Bryan, of the State College; President Kane, of the Concerning the Columbia River

bridge at Ce...o, Mr. Stevens said that when in Chicago he looked over the numerous bids submitted on the construction, but that the contract had not

Baker to Have Baseball.

BAKER CITY, Or., April 13.—That Baker City is to have amateur base-ball this Summer is declared by Lou Lawrence, who is perfecting arrange-ments whereby Huntington. Cove, Union and Baker City will form a four-team league to play Sundays and holi-

A Healthful Hint.

A bottle of the Hood Brewing Com-pany's famous Bock Beer to ward off that tired feeling. Phone El 129, B. 1219.*



Eilers Piano House

Will Give Aero Flying Machines to Boys and Girls ABSOLUTELY FREE

A Genuine Flying Machine

Will fly by its own power over one hundred feet, in a circle or straight away. This wonderful toy was an original model, developed in the making of a successful man-carrying machine. Built on totally new scientific principles, and acknowledged by leading students in Aeronautics as the most wonderful invention of the age. Measures 14 inches across, 5 inches high, 6 inches long; weighs less than one ounce; will carry more than its own weight. Very durable, amusing and instructive to both young and old. Interest increases with every flight. If started upside down it will right itself and continue flying. Bold everywhere at \$1.00.

HOW TO GET ONE

For a limited time we will give away absolutely free one of these great fly-ling machines to every boy or girl bringing in a cash Tuning Order and Three Flying Machines with every Tearly Tuning Order. Our object is simply to call special attention to our Tuning and Repairing Department. No raise in rates—\$2.50 for a single tuning the same as heretofore. Phone Exchange 22—4 2250 or write at once to



a word about tuning

Let us explain to you how our fearly Tuning Contract will save you money and insure your plane always being in tune-and, best of all, will prevent it from depreniating in value. We make a feature of our tun-ing and repairing department, consern has a more skilled corps of expert plane tunars and repairers, competent to per-form the most exacting and del-icate work. All work gustan-teed.

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Always insist on seeing this eard. If in doubt telephone Private Ex. 25, Auton