HOOD RIVER SUIT CALLED CITY WAR

Attorney Stearns Says Electric Company Fights Decision of Voters.

MAYOR M'DONALD ABSENT

City Attorney and Treasurer Appear Before Judge Bean in \$30,000 Sond-Issue Case-Water Alleged Impure.

A. J. Derby, City Attorney of Hood River, and E. O. Blanchar, City Treas urer, answered in the United States

urer, answered in the United States Court yesterday, when the bond issue case, involving \$56,600, was called by Judge Bean for hearing.

Mayor McDonald was not present to enswer the charge that he had entered into a secret agreement with Keeler Bros. of Denver, whereby the bond dealers were to be favored with a rebate as an inducement for the purchase of the bonds.

Jeans Stearns appeared for the Hood.

of the bonds.

Jeans Stearns appeared for the Hood
River officials. Attorney Stearns asked
for a continuance of the case until October 14, and by the consent of Attorneys Show and McCamant the grace

As a basis for the temporary injunc As a basis for the temporary injunction against the sale of the bonds, Burt Van Horm, a property-owner at Hood River, but a resident of New York City, appeared as the complainant, but according to a statement issued last night from the office of Attorney Stearns, Mr. Van Horn is being used as an instrument for the adjudication of internal dissensions in Hood River.

Rebate Plan Alleged.

Rebate Plan Alleged.

In the complaint filed in the United States Court, it is charged that Keeler Bros. are not only to receive a rebate of \$1050 on the purchase price of the bonds, but that a portion of the proceeds are to be used in paying off an illegal indebtedness of Hood River.

There is an excess indebtedness in Hood River, said Attorney Derby last night, "but when it is understood that it was caused by the insistent demands of the farmers in the valley for good roads on the east side of the river, there does not appear to be a crime about it. It cost \$2000 to build a portion of the road which was demanded. It was located through a narrow cut. Hood River widened the place.

"If the city street improvements were demanded they could not be supplied at a limit of revenue of \$5000 a year as prescribed by the charter. Steam rollers were purchased and also steam equipment valued at \$5500 for the laying of streets. These cost the property-owners more than \$12,000 on bonded indebtedness, in paying off the contractors who put down the pavements, But to secure the money, the city was required to take up some of the bonds lasted under the Bancroft act. In that way perhaps we have exceeded the \$5000 limit on city indebtedness."

Suit Termed City Fight.

Attorney Stearns discussed the liti-gation freely, when seen at his office following the adjournment of court. "The suit of Van Horn against the "The suit of Van Horn against the Mayor and members of the Council of Hood River is really a fight between the Hood River Electric Light. Power & Water Company on the one hand and the majority of the voters of Hood River on the other." said Mr. Stearns "Some years ago the Hood River Electric Light, Power & Water Company purchased the water plant which then furnished water to Hood River from the private owners for \$20,000. then furnished water to Hood River from the private owners for \$20,000. They have recently been attempting to sell the water system to the city for 40,000 and have attempted to secure a vote of the city for that purpose. The gubject has been up for action by the woters on three occasions and each time the proposal has been rejected at the moties.

Water Deemed Impure.

"Acting on a petition of 128 legal voters of Hood River, being more than half of the voters who participated in the following election, the Council of flood River called an election to authorize the sale of bonds to the amount of \$20,000 for the purpose of installing the city's own water system with the proceeds of the bonds.

The State Bacteriologist had made several examinations of the water and the action of the State Board of Health has been called for. The State Board of Health has been called for. The State Board of Health has been to the State Board of Health has been alled for. The State Board of Health came to Hood River and Dr. A. C. Smith and Dr. Robert C. Yenpey said at a public meeting that the water supply was impure and urged

Yenney said at a public meeting that the water supply was impure and urged the citizens strongly to vote for a bond issue sufficient to supply the city with pure water under municipal control, and an issue of \$20,000 was voted at the election, the vote being 170 in favor of the bond issue to 80 opposed.

Bond Sale Allowed.

"Pursuant to the vote, bonds were issued and duly advertised for sale and a sale of the bonds was made, but the purchaser refused to take them on the ground of competition of a private system. Since that time H. F. Davidson, as the largest owner of stock of the Hood River Electric Light, Power & Water Company, has been active in his attempts to sell the water system to the city.

"There is an allegation in the bill of complaint that the contract with Keeler Bros. was a secret one made by Mayor McDonaid and City Recorder Langille. As a matter of fact, there was no secret about it, but the transaction appears in full upon the minutes of the Council.

utes of the Council.

The real basis of the bill, if it has any merit at all, is based upon the allegation that the bonds were not resciverized after the first sale falled. and it is really a question of the legal construction of the charter in that re-gard. The Hood Rvier Electric Light, Power & Water Company and H. F. Davidson are using this technicality in their own private interests to defeat the will of the citizens of Hood River."

OHIO CREDITOR WINS FIGHT

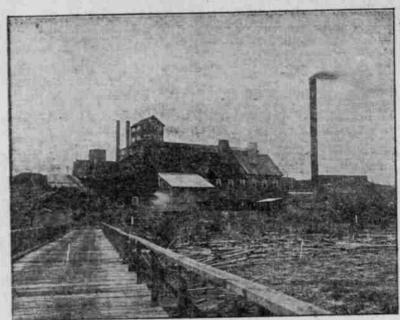
WE ARE GLAD THE OREGONIAN CRACKED IT TO THE FRAUDS!

It was with genuine pleasure that we read, on October 3, The Oregonian's bitter but just denunciation of the scalawags and frauds who appear, for a time, to thrive on the eredulity of the public and through false statements and misrepresentations of illeged gold and silver mines, rob the unsuspecting of their money. Well did that great newspaper say:

"The evil of these crimes—and they may properly be termed crimes, for they leave in their wake nothing but misery and suffering, and destroy all faith and confidence which mainkind should have in human nadoes not end with the ruin wrought on the small investors. It has a blighting effect on all branches of legitimate mining, and retards the growth of good mining districts and prevents development of mines which would in the aggregate yield up vast treasure. Throughout Oregon and other North Pacific States, and thence north through British Columbia and into Alaska, are large number of excellent mining prospects. Scores, perhaps hundreds, of these mines have been developed to a point where the investment of capital would soon place them in the list of producers.

"But the market for mining stocks has for years been flooded with so much absolutely worthless stock that it is almost impossible to interest capital in a good, legitimate proposition. The fake mines can offer the fake promoters so much greater inducements through inflacted stock than can be offered by those who have strictly legitimate propositions that the latter must see their own prospects, which possess actual merit, lie undeveloped for lack of capital, while the fake stock finds a ready market."

WE HAVE A GOLD AND SILVER MINE IN IDAHO It is entirely controlled by Portland people—a small number of friends and acquaintances—its officers being: J. B. Purcell, president and general manager; C. J. Dondero, secretary and treasurer; G. H. Martin, vice-president and counsel; R. I. McCumsey, C. W. Dowsing, J. L. Wells and H. W. Manning,



Sandpoint Smelter, 34 Miles From the Swastika Mine.

directors. Vice-President Martin is a resident of Sandpoint, Idaho, all other officers and directors being citizens of Portland. The distance from Portland to the property is 315 miles by rail and about 30 by water, and the route is via Spokane to Sandpoint, on the Northern Pardit. On Lakeview, on of Spokane, thence by steamer from the Sandpoint when I have the seed of Spokane, thence by steamer from the Sandpoint when I have the seed of Spokane, thence by steamer from the Sandpoint when I have the seed of Spokane, the steamer from the Sandpoint when I have the seed of Spokane, the seed of the mine is five miles from the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint when I have the seed of the Spokane to Sandpoint with the seed of the Sandpoint will operate the machinery of well be at no expense for steam power or an engineer, but, in order the lower grades, ten tous into one, to the Akl. the ore, we must concentrary the seed of the Martin Sandpoint will be seen the seed of the Martin Sandpoint will be seen the seed of the Martin Sandpoint will be seen the seen of the Sandpoint San

THE SWASTIKA CAN READILY PAY 200 PER CENT PER ANNUM ON EVERY DOLLAR OF CAPITAL PUT INTO IT

ON EVERY DOLLAR OF CAPITAL PUT INTO IT

The present management has had charge of the Swastika but a few days more than one year. But little development work had been done when we bought the property. In the last ten months we have run four tunnels into the mountain. No. I tunnel, 1200 feet up the side of the declivity, out a 1-foot vein of \$15.99 to \$202 ore the larger portion of which is of the higher prade. No. I tunnel is in 125 feet, and where it intersects this same vein it grade. No. I tunnel is in 125 feet, and where it intersects this same vein it is enlarged to 10 feet, and is of the same grade. No. I tunnel is in 500 feet, with an upraise of 65 feet and a drift of 80 reet. In this is found ore veins of still larger dimensions, showing values of \$25, \$40, \$55, \$15.0, \$175, \$210, \$175, \$210, \$155, \$315, \$346 and up to \$257 per ton. This nay not be classed among the stupendously rich ores of the great Coeur d'Alenes, in which region the Swastika is located, but in volume we are not surpassed by any. The Swastika is located, but in volume we are not surpassed by any. The Swastika is located, but in volume we are not surpassed by any. The Swastika is located, but in volume we are not surpassed by any. The Swastika is located, but in volume we are not surpassed by any. The state of the great coeur d'Alenes, in which region the state of the great coeur d'Alenes, in the first stock is above 137 per share. The high-grade mine is seldom long-lived. It is the low-state, that have each been in operation bordering on half a century. But the mine must be supplied with machinery, and that costs money.

PRESENT STOCKHOLDERS OF THE SWASTIKA HAVE NOT THE MEANS TO BUY THE NECESSARY EQUIPMENT TO MAKE THE MINE PAY THE DIVIDENDS IT OUGHT TO PAY

THE MINE PAY THE DIVIDENDS IT OUGHT TO PAY

This is a frank and honest confession. If they had, not a share of the company's stock would be pinced on the market. But they have not, and that is all there is to it, so we propose to now offer stock to the public at 10 cents per share. 25 per cent cash and 25 per cent per month, and with the money realized add to our outfit ALL the paraphernalia required to get the best results from this great property. It would seem that 200 per cent per annum on a person's money ought to satisfy the most svaricious. This we figure we can pay on only \$15 ore. Our assays showing values up to \$240 puts a different phase upon the proposition. That kind of ore would mean 500 per cent per annum, only \$115 rock would yield Swastika stockholders 300 per cent per annum, only \$115 rock would yield Swastika stockholders 300 per cent, But, sticking to the \$75 ore the Tacoma smelter test actually shows we have, and 200 per cent profits with only a \$6-ton mill, and we would like to hear of a better investment than that of money placed in this stock. IT is FIFTY TIMES AS MUCH AS ANY BANK WOULD PAY TO this stock. IT is FIFTY TIMES AS MUCH AS ANY BANK WOULD PAY TO this stock. IT is FIFTY TIMES AS MUCH AS ANY BANK WOULD PAY TO conservative extimate—in the judgment of men skilled in mining profits. It is conservative excluse of the Swastika's small capitalization. Were we capitalized at a million we should say 100 per cent, or only 50 per cent on a two-million-dollar company. Ours is only a half-million-dollar company. This because we have so much less to pay profits on. It is easy for any one to understand this.

GREAT WEALTH OF IDAHO MINES

compilation of dividends paid the past eight months, the Mining World finds that 120 American mines distributed among shareholders \$48,591,332, which, added to the dividends previously paid by these companies, brings their total disbursements up to \$655,080,653, or 119 per cent return on their combined capitalization. While this does not include the dividends paid by many close corporations and other smaller interests deriving pecuniary benefit from the mining and metallurgical industries, it is fairly representative of the profits made as the result of legitimate mining. The gold-sliver-lead producers lead in the total amount paid during the year having paid a much greates percentage of profits than the copper companies. The magazine goes on to show the dividends per share paid by each producing property, which ranges from 14 cents to \$4 cach. This gain chould satisfy the most greedy. We know of no mercantile enterprise that will pay one-quarter as much.

"Of the 117 mines paying dividends in 1910, the properties classed as gold, silver, lead (the Swantika ores) and nine, to the number of \$7, were the largest contributors, having \$19.558,466 to their credit. Since incorporated these \$7 companies have paid in dividends a total of \$131,524,442."

The magazine then proceeds to show in detail the great profits derived from small investments in mining for the precious metals, particularly gold, from small investments in mining for the precious metals, particularly gold, from small investments in mining for the precious metals, particularly gold, from small investments in mining for the precious metals, particularly gold, from small investments in mining so the precious metals, particularly gold, from small investments in mining so the precious metals, particularly gold, from small investments in mining for the precious metals, particularly gold, from small investments in mining for the sold particularly gold, from small investments in mining for the precious metals, particularly gold, from small investments in mini

records of over 8000 per cent paid to stockholders of gold, silver and lead mines.

In its issue of August 20 the World gives an account of 303 operating for the paid their stockholders the enormous sum of \$565,810,000 companies which have paid their stockholders the enormous sum of \$565,810,000 companies which have paid their stockholders the enormous sum of \$565,810,000 companies which in the money invested. This is a most satisfactory return, the magazine says, "when it is considered the list includes a number of companies which in the earlier days, were so mismanaged as to prohibit of companies which in the carlier days, were so mismanaged as to prohibit the payment of adequate dividends." Continuing, the World proceeds to show that the Calumet & Heela pays 4452 per cent, the Boston & Montana 1965 per cent and the Anaconda and United Verde almost as much. The Homestake, with a capital of \$21,840,000—45 times greater than that of the Newstake are above 550 per cent of its par, the actual dividends paid by the Homestake are above 350 per cent. A Southern Oregon quariz mine, just Homestake are above 350 per cent. A Southern Oregon quariz mine, just holders 1000 per cent on their money, and the truth is, if the people only knew it, as The Oregonian says, there are scores of properties in this Northwestern mining region which, if developed, would pay amazing profits.

A MIGHTY SOLID TRUTH

A MIGHTY SOLID TRUTH

In connection with the present condition of the Swastika Mining & Development Company's property, we read with keen interest the mighty big property, we read with keen interest the mighty big truth spoken by Charles I. Dodson, manager of the Dodson Manufacturing truth spoken by Charles I. Dodson, manager of the Dodson Manufacturing truth spoken by Charles I. Dodson, manager of the Dodson Manufacturing truth spoken by Charles I. Dodson, manager of the Dodson Manufacturing of its greatest fastitutions. He began life a workman, as did Rockefeller, of its greatest institutions, He began life a workman, as did Rockefeller, of its greatest institutions. He began life a workman, as did Rockefeller, of its greatest institutions. He began life a workman, as did Rockefeller, of its greatest institutions. He began life a workman as did Rockefeller, of its greatest institutions. He began life a workman as did Rockefeller, of its greatest institutions in the life makes of a corporation known as the Dodson he invested the money in 1000 shares of a corporation known as the Dodson Automatic Electric Shot-Firing Machine, an apparatus that sets off powder Automatic Electric Shot-Firing Machine, an apparatus that sets off powder Automatic Electric Shot-Firing Machine, an apparatus that sets off powder his advice to others who may he struggling as he once did:

"The time to make an investment in a corporation is while the enterprise is shaping itself, and NOT after it has reached its perfect form. It is hard to make men understand that this, the formative period of an enterprise. Is the ground floor period, when all the Big money is made.

"The mistake men make in making horsestments is waiting for a 'dead sure ting." He who does this will have such play foller for dollar for everything he gots. Iting. He who does this will have such play for dollar for everything he gots. Iting. He had not be such as a surface of the property of critic fact, but follows as a price of the money in a property of the money in a

The same advice was given by Cecil Rhodes, the most successful mining man it the history of the world.

MINING NOT A GAMBLE

In a recent issue of the Mining World the question is asked: "Why is it that out of every 100 men of whom the question is asked. Ta mining a business or a gamble?" fully 75 per cent will answer that it is a gamble? Why is it that they arrive at such conclusion? Simply that they have either been business or a gamble? It is it that they arrive at such conclusion? Simply that they have either been is it that they arrive at such conclusion? Simply that they have not given the question the eame thought nor exercised the same foresight that experience has taught them to be necessary in other lines in which men have ence has taught them to be necessary in other lines in which men have ence has taught them to be necessary in other lines in the outcome of a achieved success. Granted that there is no guarantee in the outcome of a mining venture, is it not equally true of every other business that men englishing, and so on ad infinitum. When we consider that mining has only raising, and so on ad infinitum. When we consider that mining has only raising, and so on ad infinitum. When we consider that mining has only raising, and so on ad infinitum. When we consider that mining has only raising, and so on ad infinitum. When we consider that mining has only raising, and so on a dinfinitum. When we consider that mining has only raising, and so on a dinfinitum. When we consider that mining of a few prosecutific and business principles, the mistakes of former years and times must not be charged up to the pursuit of unseen riches as conducted at this time.

"Mining, it must be remembered, is not the mere sinking of a few prosecutive holes, developing a vein of quartz ore, whether good, bad or indifferent, stocking it for a thousand times more than for any intrinsic value that can be shown, and then selling the stock broadcast through the land on a basis of misrepresentation and falsehood. This is not mining. Rather is it the curse of misrepresentation and falsehood. This is not mining. Rather is it the curse of mining. Mining dema

THE CORBIN RAILROAD NEARLY COMPLETED

The Sandpoint News of September 27 announces that: "In about three weeks the Corbin branch railroad from Athol, on the Northern Pacific, to Bayview, on Lake Pend d'Oreille, will be completed, and will open up an accessible market for large deposits of minerals and lime found in such large quantities about the shores of the lake." The end of this track will be only about five miles from the Swastika mine, so that we will have both



Hotel Swastika, Lakeview, Idaho, Five Miles From Swastika & Development

rail and water transportation at our command. Athol is a station on the Northern Pacific 29 miles west of Sandpoint. The branch itself is 15 miles in length, so that by rail Swastika ore will have to be shipped only 44 miles to reach the Sandpoint smelter. But if it were necessary to ship all the way to the Tacoma smelter the railroad run would be only 465 miles, and when it is considered that the smelter receives ore from as far distant as Corea and Central and South America, our short haul seems but a morning walk to enlarge the appetite.

WE OWN A LIME LEDGE, A TOWNSITE AND A HOTEL, AS WELL AS THE SWASTIKA

per cast. But, sticking to the \$7 ore the Tacona as 50-ton mill, and we have and have and of a better investment than that of money placed in the stock. It is feel to the \$3.00 or the Tacona as 50-ton mill, and we have and of a better investment than that of money placed in the stock. It is feel to the stock in the stock. The standard bank public feel confident this mining pay any interest at as we predict, at least 250 per cent. This is a most conservative estimate—in the highern to fine as filled in mining profits it is conservative. because of the Swastika general, or only \$5 per cent on applicated at a mining company. Ours is only a haif-million-dollar corporation, and the same amount of production as the stockholders are not pay double that of the company a two million-dollar company. This four times as we so much less to pay profits on. It is easy for any one to understand this.

GREAT WEALTH OF IDAHO MINES

According to the Mining World, ten Idaho mining corporations have in the stockholders of the s

OUR FIRST SALE OF TREASURY STOCK

If we were gamblers, or possessed of the smallest atom of the gambling spirit (which we are not), we would be willing to wager a handsome sum that no other mining corporation ever presented

record the equal of this: We have owned the Swastika one year and one week. In that time we have completed 868 feet of tunnel work, have 55 feet of upraises, constructed a good wagon road to the mine, five miles from the steamboat landing, cut out several necessary trails running in different directions on the 220 acres of our ten claims, and out from our picturesquely located hotel, built good cook and bunk houses, erected an 18-room hotel and furnished it complete, have bought five mules and harness and two wagons, one saddle horse and saddle; built 1500 feet of flume, one water tank, two stables, bought all necessary tools, opened up fine bodies of ore in three tunnels-12 feet in No. 1, 10 feet in No. 2, from 12 to 18 inches in No. 3-procured a 20-acre townsite, secured a lime and marble ledge and have stripped 25x600 feet of its face; have paid \$7000 on our property and HAVE NOT SOLD A SHARE OF OUR TREAS-URY-STOCK. We have 3,500,000 shares of it, and now we shall begin our first sales of this great asset of the Swastika Company. IS THERE ANOTHER MINING CORPORATION ON EARTH THAT CAN SHOW A RECORD TO EQUAL THIS ONE?

WE GUARANTEE OUR STATEMENTS.

In any of its advertising matter the Swastika will not knowingly make a misstatement, and the offer will always be open that if any stockholder reading our public announcements will preserve them;



Sacks of High-Grade Ore, Swastika Mine.

will visit the mine for himself; look the property over thoroughly; scrutinize it as carefully as possible; examine the townsite, lime ledge, water power and hotel, and by his energy discover that we have in any manner made misrepresentation, or distorted anything in the slightest, we will refund such man the cost of his trip, receive back his stock and return him the money he paid for it. This does not apply to those who would buy 100 shares or so merely to make the trip at this company's expense, but DOES refer to any bona fide stockholder desiring to verify the statements we make to the public.

INVESTIGATE OUR OFFICERS.

Fully aware that the best mine on earth is a poor property with dishonesty seated in its official saddle, we invite the most searching, painstaking, RIGID scrutiny of the reputations and characters of our directors and officers. Aside from Mr. Martin, ALL are residents of Portland, well known to hundreds of our people. If there be a dishonest man among them-ONE whose word will be questioned by any informed and fair-minded person-the stockholder, or prospective stockholder has a right to know it, and will do well to govern himself accordingly. Most of them are business men of standing, but their capital is largely tied up in the various enterprises in which they are engaged, hence they have not the ready money to procure such equipment as is necessary to place the Swastika in the best position to yield up its richest treasures in the shortest space of time. It is for this reason alone that we are now offering our shares for sale. If any assistance be desired by any one investigating our standing in the community, and we can be of service to the investigator, we will gladly render him whatever aid is in our power. If any information be desired by a stockholder concerning the corporation, its methods of business, or on any other subject not here clearly defined, we shall be only too glad to supply it. WE HAVE NOT, AND NEVER SHALL HAVE, a secret from a stockholder, and we only ask that these be just as frank and upright with us as we will be with them. No corporation can prosper with discord in its ranks. These two elements do not go hand in hand, and we will not consciously be a party to anything tending to disturb the tranquility that should exist between friends and business partners. We KNOW we have the making of one of Idaho's famous gold, silver and lead producers, the most reliable and permanent of all mining propositions. We have to seek the co-operation of others to enable us to secure the best results from this, and we shall accomplish this without a single intentional statement contrary to the facts. There will then be no afterclaps, no accusations of fraud, no disturbances nor warring factions pitted one against the other. The Swastika is too rich and too good a money-making enterprise to become embroiled in contentions and the subject of wrangles and disputations.

SHARES 10 CENTS EACH.

These may be paid for one-quarter at time of booking order, 25 per cent more in 30 days, 25 per cent more in another 30 days, and the last 25 per cent at the end of the next 30 days. We sell stock on these terms for the reason that the installments, coming in as they will, will meet our expense account and pay roll, and will soon accumulate a fund sufficient to buy the mill and machine drills as we shall need them.

OFFICERS AND DIRECTORS.

J. B. PURCELL, President and General Manager.

C. J. DONDERO, Secretary and Treasurer.

G. H. MARTIN, Counsel for the Company. R. L. McCumsey, C. W. Dowsing, J. L. Wells and H. W. Manning, Directors.

OUR NEW OFFICE.

For the better accommodation of the public, and to secure inexpensive office rooms, our office has been removed from 310 Oak street, near Sixth, to 220 Drexel building, southwest corner Second and Yamhill streets, the white, six-story block so conspicuous on that corner. Take the Second-street entrance, and the Swastika sign will be discovered at the first landing.

OFFICE OPEN WEDNESDAY AND SATURDAY

EVENINGS. Telephone Main 8726.

in the Justice Court. Three day later, when his case went to trial, I was acquisted, he says. He thinks the scandal and disgrace worth \$5000, at says he spent \$100 for attorney's feand like expenses.

Motor Tandem Rider Injured. VANOUVER, Wash, Oct. 10.—(Sp. cial.)—M. M. Johns, when riding a tal dem motorcycle today, was throw breaking his left hip, Another man was

Milling Company.

In an effort to save the property of the value of \$15.000 has operating in Grant County, a receiver was yesterday appeared to the management that the control late of the directors have with the management that the company has become and the strong lates and the strong lates and the strong lates are the company has become that the company has become the directors have with the management that the company has become the directors have with the management that the company has become the directors have with the management that the company has become the directors have with the management that the company has become the directors have with the management that the company has become that the control have the directors have with the management that the company has become the strong lates and the strong lates and the strong lates are the case of the strong lates and the strong lates and the strong lates are the strong lates and the store and vanished. In the state, Oldstein the street will be practically new. The cluster theirs, and in the street will be practically new. The cluster theirs, and in the street will be practically new. The cluster strong or the strong class in the case were his wife and child to visit relatives in over and vanished. In the strong class, and late strong are the strong class. The strong class is the ground upon which strong class are the strong class are the strong class. The strong class are the