BANK CHIEFS TO FEEL LAW'S FORCE

Ross and Burkhart Slated for Indictment Tomorrow by Manning.

OTHERS SOON TO FOLLOW

Ladd's Agreement With Depositors Not Yet Signed and He Reaches No Settlement With American Surety Company.

President Ross and Treasurer Burkhart, of the defunct Title bank, will be indicted tomorrow by District Attorney Manning, for receiving deposits when Manning, for receiving neposits what they knew their bank to be insolvent, and for larceny of funds belonging to the state school fund. Indictments of Secretary Altchison, Vice-President Hill and State Treasurer Steel are expected

Penalties provided by law are im-Penalties provided by law are impressionment not exceeding two years and fine not exceeding \$1000, or both fine and imprisonment, for receiving deposits in an insolvent bank; imprisonment not less than one year nor more than 15 and fine equal to twice the money involved, for larceny of public funds. Defendants will be charged with converting school money to their own use—an act prohibited by law, and constituting larceny. They may also be indicted for perjury, in making a false statement of their lank's finances to the State Treasurer when applying to be designated as state depository, May 30, 1907.

when applying to be designated as state depository. May 39, 1997.

Ladd's agreement to guarantee payment of depositors will be signed this week, but no progress has been made in bringing Ladd and the American Surety Company together.

Ladd and the company appear to be waiting each for the other to make some move. Ladd evidently thinks himself in a good strategic position to let the company "sweat." But the company, being in possession of valuable collateral, seems to think it has the upper hand. The bank's receiver will at once sue to regain the collateral and yesterday served notice through Receiver Mear's attorney, on the surety company's attorney, demanding its return.

The collateral was assigned by the bank to the state, just before the failure, to to the state, just before the failure, to secure the state's funds. It consists of trust deed to timber land in Benton County and mortgage on timber land in Marion, both securities being valued at close to \$1,000,000. The state's money in the bank wreck is \$35,000, of which the surety company has gaid \$100,000 under its bond, and has agreed to pay the remainder in two years at 5 per cent.

Accountants experting the bank's books say they never saw so big a tangle. The books are complicated with all manner of cross entries.

cross entries.

Big losses were carried in the mysterious "suspense account," so that they would not appear in profit and foss, and the account was bolstered up with inflated credits, consisting of enhanced values of the constant of the c emissions and anticipated profits-

nated creating commissions and anticipated profits—
not money, but wind.

The bank's officers chose opportune
times to transfer losses to profit and loss.

At such times they charged the losses to
that account and made a corresponding
credit in the suspense account, in this
way balancing the suspense figures.

Burkhart made heavy overdrafts on the
bank for personal uses, and was credited

bank for personal uses, and was credited with sums drawn from the suspense ac-count \$800 on December 31, 1904, when his overdraft was \$530, and \$200 on Feb-ruary 25, 1904, when his overdraft was \$1934. Though these credits were supposed to come out of earnings or profits, they were really depositors' money. De-positors' money was used as suspense money in the bank, on the theory that those funds, being wind, could hardly take the place of hard cash. Two ledger leaves containing these

Burkhart entries were recently moved from the ledger, but when their loss was discovered, some employe of the bank, a friend of Burkhart's, rethe bank, a friend of Eurkhart's, replaced them, but not in their proper place. They were found yesterday, after vain search was made for them in the same ledger the day before.

Besidos drawing on the bank funds in his own name, Ross drew on them in those of dummies, N. Coy and W. W. Reid, in whose names he made rake-offs. The bank carried heavy overdrafts of Reid's and Coy's from May, 1906, until June, 1207, when they were credited off, out of profits accroing from sale of Commercial building stock to the bank.

During the legal holidays, \$10,000 on deposit by the Home Security & Investment Company, of which State Treasurer Steel is president, was credited on a note of the Portland Fuel Company, of which State Tompony, of which State Tompony, of which Steel is also president.

Investigation shows an Increasing number of persons favored with cred-its during the last days of the bank, when depositors were barred from en-tering by legal holidays.

That the Title Bank officers who will be first indicted are Ross and Burkhart was the information gained yesterday. The indictments will be filed by District Attorney Manning, tomorrow morning, charging offenses for whose punishment the laws prescribe severe penalties. Indictments of other bank officers and of State Treasurer Steel will probably be

filed later.

Evidence gathered from the books of the bank convinces Mr. Manning that he can convict. The evidence is of very damaging sort, especially as to the conversion of the school money, whose investment and control the laws place in the hands solely of the State Land Board. That the use to which the bank's officers put the school funds constitutes larceny, under the statutes, is the opinion of the District Attorney.

Charged Under New Law.

Another charge in the indictments will be that of receiving deposits of money when the officers knew the bank was insolvent. A law of the last session of the Legislature makes such session of the Legislature makes such an act a felony. While there is some question whether the provisions of that law are yet in effect. Mr. Maming thinks the section prohibiting officers of an insolvent bank from receiving seposits went into operation last May. Still another charge probably to be taken up later will be that of periury, against Rose and Burkhart, who in making application to become a depository of state funds on May 26, 1967, swore falsely as to the finances of the institution. And one more charge may be that of making false reports of their bank. taken up later will be that of perjury, against Rose and Burkhart, who in making application to become a depository of state funds, on May 30, 1967, swore falsely as to the finances of the institution. And one more charge may be that of making false reports of their bank.

Some Depositors Complain.

Not all the depositors are content, with the terms of the agreement as published. Some want Mr. Ladd to pay interest annually, instead of at the end of the two and three-year line and took up a homestead on what is known as "Juniper Flat," which the terms a household at the depositors are content, with the terms of the agreement as published. Some want Mr. Ladd to pay interest annually, instead of at the end of the two and three-year line date of the size of the plains of the plains of the plains of the size of the plains of the plain plain plain plain pl

periods, in order to make their accounts negotiable at par. Others want him to pay interest from the date of the receivership November 6, as they say he promised a depositors' committee to do last Friday. The agreement says he shall pay interest from the date the passbooks and other evidences of deposit are certified by the receiver. A large number of deposits have not yet been certified.

Mr. Ladd and the American Surety Company are as far from reaching an agreement, apparently, as at the beginning of the present wait. Each wants the other to make concessions and each thinks himself in a position to let the other do the treating for terms. Ladd evidently takes the view that the company can save itself from loss under its bond to the state only through his guarantee of payment.

Company Is Confident.

Company Is Confident.

But the company believes itself in a position to make good the loss without an agreement with Ladd, first because expecting the court to hold the \$28,000 school money in the nature of a ballment, which the bank must restore unimpaired, and to hold the remaining \$167,000 state money as unlawfully received and bold money as unlawfully received and held by the bank, because of false representa-tions made to the bank by the state; sec-ond, because the state and the surety company hold ample timber land collat-

This collaterni Mr. Ladd desires re-stored to the assets of the bank. Re-ceiver Mears has demanded its return and the fight will be taken into the

NO ORDER IN THE RANKS

WHY VANCOUVER MILITIA WAS DISBANDED.

Young Officers Unable to Maintain Discipline Over Privates Who Learned Tactics as Regulars.

SEATTLE, Wash., Jan. 4 .- (Special.) -The inability of the young officers of the National Guard Company, which was recently disbanded at Vancouver, Wash., to maintain discipline over the former soldlers of the regular army, who comprised the majority of the company, is the reason given tonight by inspector-General John M. Kinzie,

of the State National Guard. of the State National Guard.
According to General Kinze, the old regulars treated their comparatively inexperienced officers with scant courtesy, and made more or less fun of the attempts made to drill them. In consequence, the Inspector-General has several times reported the ineffi. has several times reported the ineffi-ciency of the company, but without effect, for there was sufficient rural district members to keep their officers in commission.

Despairing of making anything approaching a military organization out of the company, the Inspector-General finally succeeded in having it disbanded although such course was bitterly ob-jected to by the politicians of Clark County.

LIKELY TO EVADE CAPTURE

Covington and Burlison Are Not Arrested in Valparaiso.

TACOMA, Wash., Jan. 4.-(Special.)-Tacoma, wash. Jah. 4.—(special.)—
Tacoma shippers have received a cablegram announcing the arrival in Valparaiso, of the ship Henry Failing, on
which it is believed Covington and Burlison, the alleged murderers of Mrs. Covington, near Seattle, were signed as sailors
under the names of Jack Edwards and
Arthur Hughes. The sublement gives an and Arthur Hughes. The cablegram gives no information other than that the ship arrived safely, December 31. Chief Wappenstein, of Seattle, in a telephone interview, said he had no

In Tacoma it is said that Chief Wap-penstein wrote his instructions to the consul at Valparaiso instead of cabling

them, and in that event the men may

SPRAGUE, Wash., Jan. 4.—Two la-borers were killed and eight badly injured by a dynamite explosion in a construction samp on the Portland & Seattle Railroad, 25 miles south of Sprague today. The men were all Bulgarlans and were thawing dyna-mite in a kitchen range. Ingel Mel-off was instantly killed and another, whose name is unknown, died later.

CENTRALIA, Wash., Jan. 4 .- (Special.)—Robert Ramsey, who came re-cently from Seattle, died in this city this week. From letters found on his person, it is evident Ramsey was an escaped convict or that he was wanted for some crime committed in the East. A letter from his mother, whose name is different to the one assumed by the son, stated that he had better not come home for at least two years, but that if he did come not to be known as her

TYGH VALLEY, Or., Jan. 4.—(Special.)—Surrounded by a large circle

of relatives and friends, Mr. and Mrs. C L. Morris, of this place, celebrated their 50th wedding anniversary December 27.

At high noon the wedding ceremony

for these hale and hearty pioneers was

repeated, when the bride and groom were escorted to the head of a beau

tiful table, loaded with everything that heart could wish. Appropriate cere-

monies were then delivered by Justice Harper, after which all present en-

joyed the splendid spread. After dinner

joyed the spiendid spread. After dinner various games were indulged in and the remainder of the day was spent in visiting and listening to stories of pioneer days in Tygh Valley.

Charence L. Morris was born in Illinois, January 6, 1837. He is the son of Preston and Adalisa (Miller) Morris, natives of Kentucky. His mother died when he was but 8 years old. He attended school until the year of 1850, when, with his father, he crossed the plains and took up a donation land claim in Linn County, where his father remained until his death, in 1862. Clarence L., having finished public school in Linn County, started out in life for himself. He rented land and

life for himself. He rented land and

life for himself. He rented land and remained in Linn County for several years, after which he came to Eastern Oregon and took up a homestead on what is known as "Juniper Flat," where but few settlers lived at that time. After a few years he returned to the Willamette Valley, later going to Eastern Oregon, where he has resided ever since. Last year he retired from active duties and took up his residence in the thriving little town

Eighth-Ward Republicans Favor the Square Deal.

PROVE ALL CANDIDATES

None Who Enters Primaries in Bad Faith and With Ulterior Motives Will Receive Indorsement of the Committee.

meeting last night, the committeemen of the County and City Republican Club, residing in the Eighth Ward, propose that the qualifications of candidates for office and their record as Republicans shall be investigated strictly before re-ceiving the indorsement of the organiza-tion. Furthermore, no candidate will be

ESTEEMED YAMHILL COUNTY



Mrs. S. J. Baker.

MMINNVILLE, Or., Jan. 4— (Special)—Mrs. S. J. Baker, who died near Carlton, Or., Thurs-day night at the age of 75 years, was an exemplary woman. She was born in New York, 1822, She crossed the plains from Iowa in 1865, settling in Yamhill County, where she has since resided. She had been a widow for more than 40 years, and was universally endemed for her high stamp of true womanhood and benevolence. She leaves in this state to mourn her loss one sister, Mrs. A. W. Benedict, of Salem; a nephew, Judge A. S. Bennett, of The Dalles, and three children, viz., Clarence Ba-ker, Mrs. Addle Hendricks and Mrs. Emma Galloway, all of Yambill County. She also leaves a number of grandchildren.

indorsed who enters the primaries solely to poll sufficient votes to enable him by threats or persuasion or representation of strength to demand concessions from the successful competitor in the way of a deputyship, or for any other consider-

escape.

THAW DYNAMITE; TWO DIE

Bulgarian Laborers Killed on Portland & Seattle, Near Sprague.

Land & Seattle, Near Spragu set forth in the statement to voters which

First—The primary law prescribes a situ-ation and rules in party politics which must be conceded, recognized and made absolutely

GOLDEN WEDDING ANNIVERSARY

MR. AND MRS. C. L. MORRIS.

TYGH VALLEY COUPLE CELEBRATE



Yes, we've given a double cut the prices on Men's Overcoats id Haincoats.

LION Gus Kuhn Prop' 166-168 THIRD STREET

made independently and a showing de-manded from all candidates at the pri-maries for each office to be voted for in

respects, viz.: Honesty and standing as a man, Qualifications and competency to (c) Residence in the state not less than

Residence in the precinct not less (d) Residence in the precinct not less than six months or if removed within that time, then in the precinct removed from six months, if same is in Multnomah County.

(e) That the candidacy is not entered upon to force concessions from successful competitors in the primaries.

(f) Republican record.

Fifth—That after a satisfactory showing the computer of the committee shall in-

of said matters, the committee shall in-dorse and recommend all such candidates for each office to the carnest and fair con-sideration of Republican voters at the pri-maries and shall refuse such indorsement and recommendation to all others.

Final Resort to People. Sixth—If the committee is unable to in-derse and recommend any candidate for nomination to any office, it shall urge the people to propose the names of one or more worthy candidates and shall assist to the circulating of petitions for all such, for the best interests of the Republican party, the securing of good men being the sound

the securing of good men being the sound and proper result sought for.

Seventh—Republican clubs hre urged to refuse to become partisans openly or secretly in favor of one out of several candidates for nomination to any certain office in the primaries, and to support the successful nominee in the election.

Eighth—Friends of each candidate should support his candidacy in the primaries as individuals and agree to support the winning candidate in the election.

Ninth—That candidates for each office should agree and maintain the agreement to submit cheerfully, honestly and fairly to the decision of the people at the primaries and honestly support the winning candidate. the decision of the people at the primaries and honosity support the winning candidate. Tenth—That no condidate shall be indersed or recommended who shall be found to have entered the primaries solely to poll sufficient vote to enable him by force, threats, persuasion or representations of strength or otherwise, to demand concessions from a successful competitor such as deputyship or other consideration, thus depriving a successful candidate of his freedom and independence in the conduct of his office, such action being a species of political blackmail deserving to be stamped out as against the best interests of the Republican party, and of fair and responsible candidates. andidates.

Eleventh—That the committee refuse its

indorsement to candidates who decline to ledge themselves or who break their ledge as herein stated.

Seek Voters' Confidence.

12. It is the sense of this branch of the Central Committee that the full confidence of voters can be best gained by bona fide and persistent efforts to raise the general standard of candidates at the primaries, and giving of Parker, H. H. Prouty, D. J. Quimby, J. places; in favor of a manly, decided, H. Richmond, Emery Schmeer, R. M. aggressive and responsible policy as Tuttle and R. C. Wright. The plan of herein stated, and fearlessly hew to working in the interest of the party is the line, for the honor of good citisenship and of the Republican party.

The committee decided to publish its plan before adoption and invite friendly comment and suggestion from other members of the Central Commit tee and Republican voters, so that if it meets general approval, it will receive favorable action on the part of the. Central Committee as a whole. It is be conceded, recognised and made absolutely fair to all.

Scoon—It was adopted by the people, provides methods similar to the old-time town meeting, and as the people will resent doing away with or evading it, the Republican party should and does gracefully and cheerfully accept it and will work in harmony with the law.

Third—The organisation of one or more fair, strong, vigorous, sit-up-take-notice Republican clubs in the Eighth Ward should be encouraged and assessed by the committee, in order to secure registration of voters and a full vote of the party at the primaries.

a turning point with the party. Fourth-That an investigation should be they ask that their plan be carefully

January Reduction Sale

Unusual Price Concessions on

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High Grade

SUITS AND **OVERCOATS**

There's a great surprise in the way of a saving awaiting the man who visits our store. We're showing one of the largest, choicest, smartest lines of ready-to-wear clothing ever submitted to the public of Portland at a great reduction.

Don't take our word for it. Come, see for yourself.

Critically examine the fabrics, the garments, the stylesevery detail of the workmanship and the prices. We'll wager you'll indorse our statements as to the merits of this sale.



SUITS

Choice of our entire line of fancy cheviot, cas-

\$20.00 Suits							\$15.00
\$25.00 Suits							
\$30.00 Suits							
\$35.00 Suits							
\$40.00 Suits							\$30.00

OVERCOATS

This season's smartest styles in the popular

Pred min per par	acu, and provide
\$25.00 Overcoa	at\$18.75
\$30.00 Overcoa	at\$22.50
\$35.00 Overcoa	at\$26.25
\$40.00 Overcoa	at\$30.00
\$50.00 Overcoa	at\$37.50

EVERY GARMENT IN THE HOUSE A BENJAMIN

BUFFUM & PENDLETON

311 MORRISON STREET, OPPOSITE POSTOFFICE

studied and viewed from the standpoint Constitution Is Adopted.

The following constitution and by aws were adopted by the club last

First-The name of this organization First—The name of this organization is the Republican Precinct Committeemen of the Eighth Ward and it shall consist of the precinct committeemen of said ward.
Second—The object is to promote the interests of the Republican party in the Eighth Ward by all honorable means.
Third—There shall be a chairman and secretary elected to hold office for one year.
Fourth—Meetings shall be held at such times and places as the organization shall designale, upon call of the chairman, or three members filed with the secretary.
Fifth—A statement formulating plans, purposes and principles as a working guide shall be pair forth to Republican voters.
Sixth—A quorum shall be eight members but a less number can meet and adjourn a meeting to a certain date and give notice to absentees thereof.
Seventh—These by-laws may be amended at any meeting by a majority vote, provided not less than ten members are present.

ATTACKS PILES' LAW FIRM

NEW SENSATION SPRUNG IN SULLIVAN ESTATE CASE.

W. F. Hays Alleges Judge Robinson Disbarred, Sells Out Client to Senator Piles' Firm.

SEATTLE, Wash., Jah. 4 .- (Special.)

SEATTLE, Wash., Jah 4.—(Special.)—W. F. Hays, a prominent lawyer of this city, has filed sensational charges against the law firm of Piles, Howe & Farrell, in the Superior Court, in the famous Sullivan Estate case. Hays avers that he was the attorney for Marie Carrau, the French nurse, who was made heir to John Sullivan's property, worth \$4,000,000, by the terms of a nuncupative will, and that she afterwards changed lawyers, employing Judge J. W. Robinson. Hays declares that Robinson, who has just recently been suspended from practice by the Supreme Court, sold Miss Carrau out to the firm headed by United States Senator Piles.

to the firm headed by United States Sen-ator Piles.

The action of the Supreme Court in setting aside the decision of Superior Judge Boyd Tallman, who held the nun-cupative will to be valid, is also assalled by Hays, who asks the court to order a division of the estate between himself and Miss Carrau. The heirs represented by the Piles law firm have been declared by the Piles law firm have been declared by the Superior Court to be entitled to the estate, and the matter is in the Su-

Cow Earns Her Feed.

OREGON AGRICULTURAL COL LEGE, Corvallis, Or., Jan. 4 .- (Special.) —A five-year-old Holstein at the col-lege dairy made a milk yield of 1%,-744 pounds for the year ending Decemher 31. The product carried a butter fat record of \$46.55 pounds, and yielded 520.97 pounds of butter, that at prices current during the year brought \$170. She was not pushed in the feeding, but given the ordinary rations incident to any well-kept dairy. Her food for the year cost \$40, leaving a net profit

ESTRANGED BY AIRSHIP

Seattle Woman Gets Divorce Because Spouse Has No Time for Her.

SEATTLE. Wash., Jan. 4.—(Special.)—Alleging that her husband's time was so thoroughly occupied with experimenting with an airship that he did not have time to support the family, Martha B. Mason was today awarded a decree of

divorce from her husband, William B. Mason, otherwise known as William Mc-Carthy.

The wife alleged that Mason had formerly been a cook and was capable of carning good wages, but after the air-ship idea captured him, he refused to meddle with so ordinary a profession, and carried on his experiments until he ran out of lumber, when he borrowed the leaves of the dining-room table for air-

ship repairs
This brought on a family jar and the wife soon after applied for a divorce. The couple were married September 10,

BLOODY FRAY IN SAN JOSE

Knives-One Dead, Five Hurt.

SAN JOSE, Cal., Jan. 4.-In a bloody fight this afternoon between a dozen armed Italians in the local Italian quar ter, Glovanni Misuraca was killed, his ead being blown off by a shotgun, and we others fell victims to rifles, pistols

and knives. Two of the injured are not expected survive.

The immediate cause of the trouble was the possession of some shings which were being removed from a barn.

OUTLAW FINALLY KILLED Defies Arrest for Six Years Son Is

Also Killed in the Fight. CHATTANOOGA, Tenn., Jan. 4.-Garret Hedden, a desperado, who six years ago, murdered his brother in Polk County Tennessee, was today shot and killed by Sheriff Biggs. Heddon's 18, year-old son was also shot and killed

BABIES OF HIGH DEGREE

Every One Has a Pamous Family Name and Possesses Exceptional Beauty.

The baby show at Ellers Plano House has proved an attraction of great interest to music lovers during the past few days. Displayed in the large Washington and Park street corner window are a number of the most artistic grand and baby grand planos ever shown in Portland—or in fact anywhere on the Pacific Coast. And in the salesrooms and grand plano parlors are still other beautiful instruments of the same class, constituting all together the most comprehensive gathering of planos of this description that one could possibly desire to see.

There are the famous Chickering "Quarter Grands," also other Chickerings of larger size; splendid Sohmers, the magnificent hand-made art Hazelton, handsome Bush & Gerts, Lesters, of Philadelphia renown; the Kimball—Chicago's favorite, a product in the very foremost rank with the best instruments of the world—and then, too, the beautiful Weber, Rosenthal's choice, Paderewski's choice—'the piano of the opera'—truly 'the plano of today."

of the opera"—truly 'the plane of to-day."

Not alone does the present exhibit prove of interest from an artistic standpoint, but from the standpoint of values as well, as reduced prices are now in effect on all of the instruments in the display. It would be well worth while for any one who is desirous of owning an especially fine plane to give this splendid display a few moments time. It will not only give an idea of what is best and latest in the line of grand-plane construction, but will also offer an opportunity of purchasing to exceptional advantage. The display will be continued during the coming week.

by members of the Sheriff's posse. Hed-den had become so defiant that he made frequent trips to Benton and openly defied arrest and the Sheriff organized a strong posse and went after him.

From 1664 to the present day there have been only seven vicars of Winsford, Eng-land, the present incumbent, Prebendary Anderson, having just reached his 50th year of service, and being still active enough to look after all the affairs of his parish.

Metzger fits glasses for \$1,00.

GRAND PIANO

For Sale, very fine instru-ment, beautifully grained rosewood case. Price reasonable; terms easy.

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SPECIALISTS PAINLESS DENTISTRY



To introduce our latest method in painless dentistry, until July 31, we will do your work at one-half regular price.

Bridge work applied and all kinds of filling inserted without pain.

Teeth extracted positively without pain or bad results, 50c. We correct all irregularities of teeth without pain. Consultation and estimates

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