

BANK'S ERROR STOOD WARY TO BE SOLD

State Examiner Accuses Sea-
side Concern's Head of
Violating Law.

RECEIVER IS APPOINTED

Frank S. Godfrey Named to Settle
Defunct Institution's Affairs.
Henninger Is Blamed for
Mixing Accounts.

ASTORIA, Or., Nov. 12.—(Special.)—Judge Eakin this morning appointed Frank S. Godfrey receiver of the defunct bank of Seaside, and fixed his bonds at \$10,000. This action was taken in response to a suit filed in the Circuit Court today by Will Wright, Oregon State Bank Examiner, against the institution.

The complaint recites that on November 5 the plaintiff took charge of the bank, made a careful examination of its affairs, and found the bank to be wholly insolvent, its capital stock impaired, and the institution in such condition as to render the further continuation of its business hazardous to its creditors, depositors and the public.

Bank Laws Broken.

It is also asserted that the state banking laws were violated in the loans made to the Seaside Lumber & Manufacturing Company; that at the date of all these illegal and improper transactions W. S. Henninger was and is now president of the defunct bank, and also president of the Seaside Lumber & Manufacturing Company. Henninger, says the complaint, so intermingled the business of the two corporations that it is very difficult to segregate transactions; that he has, as president of the two corporations, been guilty of many illegal and improper banking transactions, too numerous to mention, but all contrary to good banking business and the laws of the state of Oregon regulating the same.

Its Assets Small.

Continuing the complaint avers that the bank was organized on April 15, 1904, with a capital stock of \$25,000, fully paid up, and has since accumulated a surplus of \$2,000; that November 5 it had deposits and sums owing to other banks amounting to \$54,854.64, and was indebted to other creditors in the sum of \$10,000, so that the total liabilities of the bank, as shown by its books, including capital and surplus, were \$94,854.64. The only assets of value found by the examiner, the complaint says, were \$127.45 cash on hand, \$233.33 due from other banks and furniture and fixtures worth \$1200.

Value Is Unknown.

It is averred there are other papers and securities, the value of which is unknown. There are: Bonds of the Seaside Lumber & Manufacturing Company in the sum of \$1175; notes secured and unsecured for \$1101.72; note for \$2400 signed by W. S. Henninger, president of the bank, and secured by \$2000 in the Seaside Lumber & Manufacturing Company's stock; a receipt from Daniel & Welter, of Minneapolis, for \$4000 face value of the Seaside Lumber & Manufacturing Company's bond.

In addition to the above, there was a note for \$25,000 given by the Seaside Lumber & Manufacturing Company, dated December 30, 1909, and one from the same company for \$15,000 given August 15, 1910. Both of these loans, it is complained, were made in contravention of the state banking laws, and are in excess of the amount the bank was authorized to loan to any one person, firm or corporation.

Overdraft Is Cited.

The books of the bank also show, the complaint asserts, an overdraft by the mill company of \$4411.64. The complaint alleges that the bank has only \$317.45 and that the amounts due from other banks which it transacts its daily business are wholly unable to meet and pay its ordinary daily business demands and cannot pay more than one per cent of the amount due its depositors.

In conclusion, the complaint asks that a receiver be appointed; that the bank be declared insolvent; that it and its officers be restrained from further exercising any of its corporate rights; that the directors account for their management and disposition of the funds, and that they pay all sums of money that may be found to be due from them. It is further asked that the value of all property which the directors may have acquired or transferred to others, or lost or wanted by any violation of their duties as directors or officers of the bank, be accounted for.

When the case was brought up this morning, Judge Eakin in response to a petition presented by a number of depositors, appointed A. H. Waecher as receiver. Mr. Waecher was unable to serve and Mr. Godfrey was named in his place.

HENNINGER HAS ARMED GUARD

Bank Head Fears Attack—Big Mass Meeting Is Held.

SEASIDE, Or., Nov. 12.—(Special.)—When President Henninger of the closed bank here signed red lines on the streets of Seaside today he walked between two men each of whom carried a loaded rifle. This precaution was taken by the financier owing to the threat made against him by millhands. Mrs. Henninger is a nervous wreck and is under the constant care of a physician.

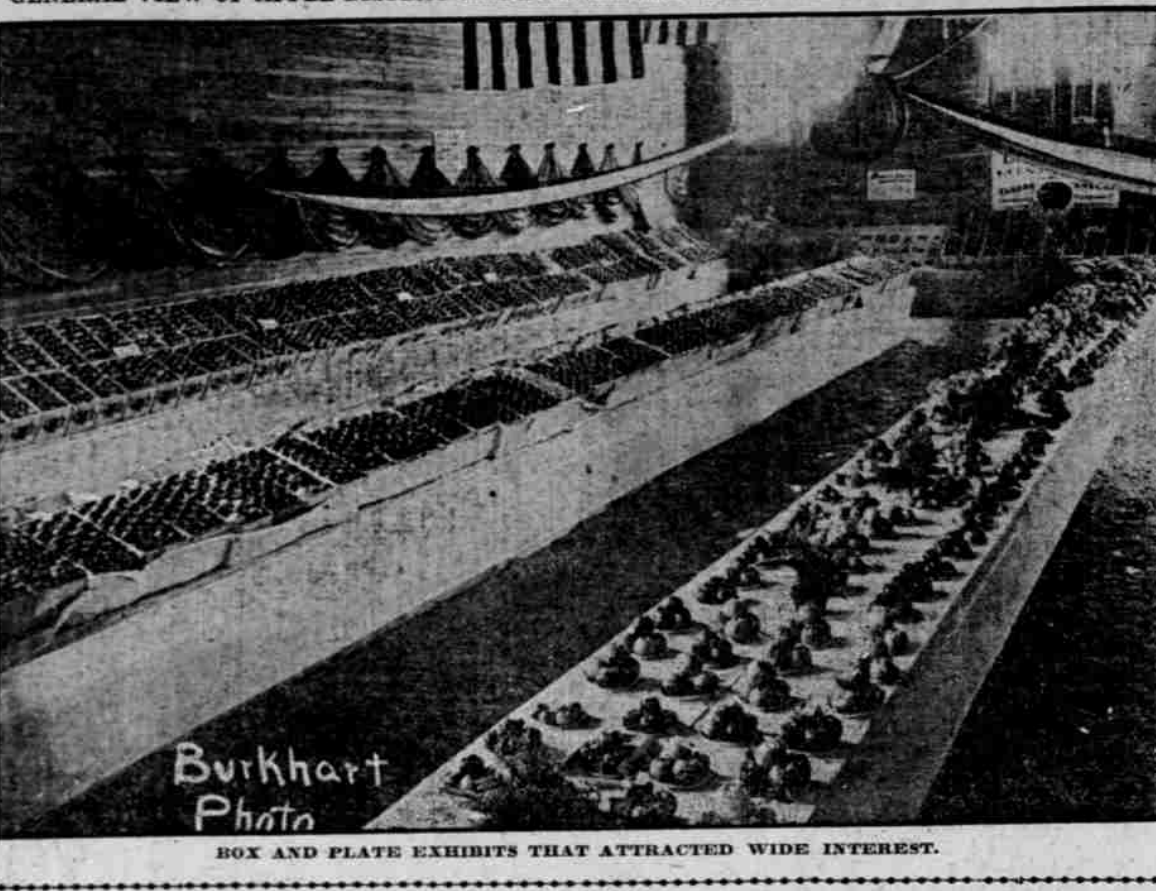
At a big mass meeting here today depositors of the bank and others insisted upon the appointment of a receiver. Frank Godfrey was appointed. The receiver was immediately placed in charge of the institution by State Bank Examiner Wright, who arrived here this afternoon.

Portland capitalists telephoned to depositors today that they would pay the depositors in full and would consider the requisition of the lumber mill on the bank if an agreement were made giving them full control. Officials of the mill, depositors and Portland men will meet in Portland tomorrow to consider this proposal.

When the men walked out Henninger is said to have offered mill bonds worth \$40,000 if an Astoria bank would supply him \$2000 in cash. This would have enabled him to induce some of the men to return to work, but he did not succeed in obtaining the cash.

As the Daniel Jones Company, of Minneapolis, holds about \$17,500 in bonds against the mill property and a vast amount of standing timber, control of the mill may be given that firm.

GENERAL VIEW OF APPLE DISPLAY MADE AT ALBANY FAIR, WHICH CLOSED YESTERDAY.



Burkhart
Photo

BOX AND PLATE EXHIBITS THAT ATTRACTED WIDE INTEREST.

APPLES WILL PAY

No Danger of Over-Production
in Oregon, Is Said.

HIGH PRICES BAR MASSES

Secretary of State Board of Horticulture Says When Apples Get Cheaper More Will Be Sold—and Profits Will Grow.

Over-production of marketable apples in Oregon will never be a contingency to reckon with, according to H. M. Williamson, secretary of the State Board of Horticulture, in the course of his address given last night at the Y. M. C. A. Mr. Williamson said there is no ground for the fears of some that the people of this state were planting too large acreage of apples. He said that the foreign market for apples raised in this state and other Pacific Coast states is growing in large proportions annually, and is bound to increase rapidly. He was of the opinion that with the completion and operation of the Panama Canal, the market for apples raised in this section of the United States will be worldwide in extent.

Prices Declared Too High.

"We should not expect to get fancy prices for our apples, such as we have obtained in the past," said Mr. Williamson. "Apples at \$2 a box are too high. Of course, the demand will be limited as long as the price is that high. "Our market in the future must be created among the middle class. We must, therefore, be content to sell our products at a price that will be attractive to the masses, and yet give us reasonably fair returns. People who want to grow a year will be the ones who will buy our apples. They constitute the masses both in this country and Europe. I am positive we can raise apples in Oregon to supply that class of people, and the returns will be such as to make apple-raising still the most profitable industry in Oregon. "Within the next few years, Continental Europe and the English possessions will take all the apples we can ship, provided we are satisfied to accept reasonable prices for the product."

Many Varieties Possible.

Mr. Williamson said it was a mistake to believe that Spitzbergen and Yellow Newtown apples were the only two commercial varieties that should be raised. He said that certain varieties grow to better advantage in different degrees of perfection where there were longer periods of sunshine throughout the growing season.

HOP CHECKS GO ASTRAY

Girls Accuse George Solomon of Withholding Proceeds.

SALEM, Nov. 12.—(Special.)—George Solomon was brought to Salem tonight from Portland by Sheriff Minto, after a chase which has lasted since the close of the hop-picking season. Solomon was arrested on the complaint of two girls, named Rankin and Bullard. They allege that when they were through picking hops Solomon offered to cash their hop checks for them. They said that the checks were cashed and Solomon disappeared. He has written to both of the girls several times saying that he was in a hospital and would be home as soon as he recovered from his illness he would make the missing amount good. Investigation showed, however, that he had never been in a Portland hospital.

ONE TEASEL-GROWER LEFT

Gregory Farm at Carus Sold—Clackamas Industry Dwindling.

OREGON CITY, Or., Nov. 12.—(Special.)—With the sale of the Samuel E. Gregory farm, at Carus, there remains

only one teaseel-grower in Clackamas County. He is George E. Gregory, at Molalla.

Gregory brothers came here 15 years ago, and George Gregory bought the teaseel farm of J. N. Sawtell, at Molalla. S. E. Gregory just disposed of his ranch, 57 acres, with the buildings and 25 acres of timber, to Noah Christner, of Eugene, for \$150 an acre. The other 120 acres were purchased by Herman Smith, of Aurora, for \$30 an acre. The new owners will not attempt teaseel-raising, but will confine their labors to general farming.

BEAN'S JOB ALLURES

MANY CANDIDATES AFTER OFFICE IN UMATILLA COUNTY.

Elevation of Circuit Judge to Supreme Bench Causes Rush—Resignation Eagerly Awaited.

PENDLETON, Or., Nov. 12.—(Special.)—The elevation of Circuit Judge Bean to the Supreme bench has brought forth a swarm of candidates for the office of District Attorney as well as for the office Judge Bean will vacate January 1. The rush for the District Attorneyship is due to the belief in many quarters that District Attorney Phelps is to be appointed Judge.

Whether the new Judge is Republican or Democrat depends on the time at which Bean resigns his present office. If he does so before the new Governor takes the chair, the appointee will be undoubtedly a Republican and will either be Attorney Phelps, Representative Ellis or J. P. Winter, all three of whom are candidates. Phelps is believed to have the advantage by reason of his support of Bowerman before and after the primaries.

Married Folk to Dance.

The Irvington Club will give an informal party Thursday evening for the older members of the organization. This party is intended for married folks. The next one will be for the younger members of the club.

FORMER OREGON CITY BOY ACHIEVES MEDICAL HONORS ABROAD.



Dr. Edward Avery Newton, formerly of Oregon City, and son of Mrs. K. L. Newton, who was graduated from the University of Philadelphia, is now American physician at Bad Nauheim, Germany. Dr. Newton was joined recently by his sister, Miss Josephine Newton, formerly of this city, and they will make a tour through many parts of Europe, and come to Oregon City by way of Hawaiian Islands, arriving here in time to spend Christmas with their mother. They attended the Passion Play at Oberammergau.

Since Dr. Newton has taken up the study of medicine he has been very successful, and before leaving Philadelphia, for Europe he had a large practice. Dr. Newton is the nephew of the late Dr. John Welch, formerly a prominent dentist of Portland.

APPLE FAIR CLOSSES

Albany Show Big Success
From Every Viewpoint.

INDUSTRY GAINS IMPETUS

Many Recent Arrivals Determine to Become Fruitgrowers After Examining Ideas With Old-Timers in Business.

ALBANY, Or., Nov. 12.—(Special.)—Albany's fourth annual Apple Fair closed tonight. The exhibits were the best ever seen here and the attendance was very large.

There was no formal programme today, except orchestral music, but a large crowd was present all day. Hundreds viewed the exhibits. While this fair has aroused preceding exhibitions in many ways, it was particularly noteworthy for the interest it has aroused in fruitgrowing. Scores who have come to Oregon recently have determined to go into the apple-raising business as a result of the fair, while many who have been setting out new orchards or plan to do so soon exchanged ideas with old fruitgrowers and gathered information regarding the scientific care and culture of apples from this source and also from the addresses on horticultural topics.

Like preceding exhibitions, this year's fair was successful. It insured another big apple fair here next fall.

ASHLAND AFTER APPLE PRIZE

Carload of Yellow Newtowns Now on Way to Spokane.

Determined to win the chief prize at the apple show at Spokane next week, H. O. Frohbach, secretary of the Ashland Commercial Club, passed through Portland yesterday afternoon and stayed long enough to call at the Portland Commercial Club rooms. On the road is a carload of yellow Newtown apples which Mr. Frohbach believes is certain to win a prize. They were raised in the orchard of A. D. Helm, five miles east of Ashland. There are 630 boxes of the 2-3 pack, of three sizes, 112, 120 and 128, respectively, to the box. Mr. Frohbach declared that Ashland won the chief prize at the Spokane show last year, and the apples in transit are even better than those of 1909. They are of an exceedingly deep yellow color, with a trace of pink bluish. As to shape they are almost perfect, being slightly flattened at each end.

The Portland Commercial Club has arranged for a delegation of club members to go to Spokane Wednesday night, arriving there Thursday. They will stay at the show grounds during a day and a night, arriving home Friday morning. It is believed that more than 100 merchants will go.

RICH TREASURE SOUGHT

AMERICANS HUNT FABULOUS GOLD CHAIN IN BOLIVIA.

Wealth of Incas Stolen From Temple of Sun God Still Attracts Adventurous Foreigners.

VICTORIA, B. C., Nov. 12.—(Special.)—Seeking a massive gold chain looted from the Indian temples of the Sun Worshipers in the Bolivian mountains, many treasure-hunting expeditions are now engaged there, according to a little party of railroad engineers who recently reached this city as irregular passengers by the schooner Aluma, nitrate-laden from Antofagasta.

"There have been many treasure-seeking expeditions operating in Bolivia this year," said the chief of these engineers. "An Italian Count had returned from an expedition just before I left, and a party of four Americans were in the hills. They had been gone three months, and some anxiety was felt for them. The Indians here have a bad reputation in the mountains, some of the tribes having cannibalistic tendencies. Many of the 'gringos' who go to Bolivia seek the treasure-hunters fever and expedition after expedition has gone in search of a massive gold chain, purported to be 30 feet long, with monster links, according to the Indian legends."

"The Indian stories of this treasure date back to the days of Pizarro, and the goals of the various expeditions differ. Some seek the golden statues looted from the Peruvian capital of Cuzco by the soldiers of Pizarro; others the massive gold chain that was taken from the Inca Temple of the Sun; others seek other treasures."

"According to the tales the Indians

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tel. Pizarro and his army must have been insatiably greedy for gold. When the Inca chieftain Atahualpa was captured he sought to regain his liberty by offering to fill with gold, to a height of nine feet, a room whose area was 17 feet in breadth and 23 long, and to fill a smaller room twice with silver, asking two months to collect this ransom. The offer was accepted and Inca messengers were sent to strip the temples and palaces of their ornaments. Banners soon began to arrive, and the ransom paid was estimated to exceed in value \$20,000,000. The Spaniards broke faith and executed the Inca chieftain."

GAME KILLED BY SOLDIERS

Exhausted Ducks and Geese Alight on Stevens Sands and Are Shot.

FORT STEVENS, Or., Nov. 12.—(Special.)—Despite the rain stormmen of Fort Stevens are reaping a harvest of feathered game. Wild geese in their southward flight, after passing Washington's forests and the wide stretch of the lower Columbia, seem unable to resist the inducement of rest offered by the sand flats formed on the Fort Stevens side of the jetty.

They stop, exhausted, and are killed by

the score. Ducks are equally numerous, consequently post families are snuffed with a supply of wild game. Strict orders have been issued by the commanding officer, Colonel Foote, restricting the limits of the game area and prohibiting outside sportsmen, unless by special permit, from taking advantage of the unusually favorable local conditions.

HAROLD YOUNG NOT IN RAID

Investigation Vindicates Oregon Freshman for "Box" Raid.

UNIVERSITY OF OREGON, Eugene, Nov. 12.—(Special.)—Statement was made today that Harold Young, chairman of the freshmen rally committee, was not in the crowd of raiders who appropriated some empty boxes from the premises of Mr. Delay, who complains that the students owe him \$4.00.

The raid on Delay's premises was not

authorized by Young or any other freshmen in authority. Young, as chairman of the committee getting up the bonfire, voluntarily offered to assume responsibility for the raid, knowing that an investigation would completely vindicate the freshmen, as a class, from the charges which had been preferred.

Delay's bill of damages will be honored by the freshmen class.

University Gives Aviation Course.

NEW YORK, Nov. 12.—John H. Molsant, John Ryan and Clifford Harmon are announced as the first speakers in a series of lectures on aviation which are to be given at Columbia University during the coming winter. The course of lectures is said to be the first ever given in an American university on the subject.

Norway has found it immensely profitable to propagate the cod, catches of the fish having steadily increased each year that fry have been planted.

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Dry Wines

Blue Label Claret	Quart \$.25; Case \$ 2.75
Red Label Claret	Quart \$.40; Case \$ 4.00
White Label Claret	Quart \$.50; Case \$ 5.00
Blue Label Zinfandel	Quart \$.25; Case \$ 2.75
Red Label Zinfandel	Quart \$.40; Case \$ 4.00
White Label Zinfandel	Quart \$.50; Case \$ 5.00
White Label Burgundy	Quart \$.75; Case \$ 7.50
Yellow Label Burgundy	Quart \$ 1.00; Case \$ 10.00
Blue Label Reisling	Quart \$.25; Case \$ 2.75
Yellow Label Reisling	Quart \$.50; Case \$ 5.50
Blue Label Sautern	Quart \$.50; Case \$ 5.00
White Label Sautern	Quart \$.75; Case \$ 7.50

Sweet Wines

Port Wine	Qt. \$.25 to \$ 1.50
Sherry Wine	Qt. \$.25 to \$ 1.50
Angelica Wine	Qt. \$.25 to \$ 1.50
Muscatel Wine	Qt. \$.25 to \$ 1.50
Malaga Wine	Qt. \$.50 and \$.75
Madeira Wine	Qt. \$.50 and \$.75
Champagne	Pt. \$.50 to \$ 1.00
Champagne	Qt. \$ 1.00 to \$ 4.00
Grape Brandy	Qt. \$ 1.00; Gal. \$ 3.25
Sunny Brook Whiskey	Qt. \$ 1.25; Gal. \$ 4.00
Mount Vernon Whiskey	Qt. \$ 1.25; Gal. \$ 4.00
Hillwood Bourbon	Qt. \$ 1.00; Gal. \$ 3.50
Multnomah Rye	Qt. \$ 1.00; Gal. \$ 3.50

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