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The weather—Fair and cooler; northwesterly winds.

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BANK WRECKERS' ARREST NEAR IN VANCOUVER QUIZ

Indictments May Be Drawn Against President Phillips, Cashier Daniels and Maybe Two Directors.

INVESTIGATION BARES ARRAY OF EVIDENCE

Juggling of Accounts and the Transfers of Stock Alleged by Examiners.

What Report Shows. Bank hopelessly insolvent when it was closed, and for some time previous. Officers and directors knew of its condition at all times. Bank's blotter, which would be valuable to prosecutors, is missing. Deposits of nearly \$20,000 were made the day the bank closed. Bank's reserve seldom reached the minimum required by law. County Clerk Wilkinson made a preferred creditor by giving him security for deposits the day the bank closed. Notes given on afternoon of last day to cover heavy overdrafts. Bonds held by bank as collateral, and not owned by it, apparently disposed of for \$8000. Fifteen thousand dollars in notes cancelled day the bank closed by accepting property turned over by Moore & Hardin. Property and notes now both gone. Exactly \$230,224.01 loaned to 10 interests, or 89 per cent of the total loans. Forty thousand dollars loaned to Phillips & Aldrich less than two weeks after bank was purchased. Notes of Phillips & Aldrich and their companies juggled back and forth continually for five years. Fictitious remittances entered as having been made to other banks, notably \$40,000 to the Oregon Trust & Savings of Portland. Loans to Phillips and A. L. Miller juggled so they would not appear in their personal accounts. Cash mysteriously increased one day by \$108,000 by certificates of deposit, wiped out the next day. Deliberate falsification of the books to mislead bank examiners, deposits and minority stockholders.

Vancouver, Wash., July 15.—Unfolding a riot of high finance, leading all the way from loans by the officers to themselves and juggling of figures to show fictitious cash balances down to desperate manipulations on the last day and the concealment or destruction of valuable records, the story of the Commercial bank of Vancouver is told in detail in the report of Experts John W. Ferguson and John Y. Richardson, rendered yesterday to the depositors' committee.

Based on the records of the bank, the experts had no hesitations in declaring that the bank was hopelessly insolvent, not only when its doors were closed by State Bank Examiner Mohrudo on December 17 last, but for a long time before. With equal positiveness the opinion is given that the officers and directors of the bank knew at all times that they were upon the precipice.

Following the announcement of the report came the statement from Prosecuting Attorney Tempes that information which the officials held responsible for the wreck will be arrested and placed on trial. Martin L. Pipes of Portland, who performed a like service in the Title Guarantee & Trust cases, will draw the indictments in consultation with Tempes and will be the chief figure in the prosecution.

Warrants to Be Issued. Warrants are expected to be issued next Tuesday or Wednesday, after the report of the experts has been fully digested and care taken to draw papers that will stand the assaults of technical lawyers. The tenor of the report is such that charges are believed certain against President H. C. Phillips, Cashier Gilbert W. Daniels, Director

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SEEKS ANNULMENT OF HER MARRIAGE TO INDIAN WHO WEDDED ANOTHER

(Special to The Journal.) Los Angeles, July 15.—Mrs. Hart M. Schultz, whose secret marriage last March to Schultz, a full blooded Blackfoot Indian, caused a sensation in the art circles of San Francisco and New York, in which she is well known and in the exclusive Arroyo Blinnier club of this city, of which she is a member, has filed suit for the annulment of her marriage.

Mrs. Schultz charges that her husband already had a wife at the time of their marriage. This wife, she declares, is a full blooded Indian girl named Margaret Strong, whom Schultz married on the Blackfoot reservation in 1892. Her suit is accompanied by a letter from the Indian agent at Fort Browning, Mont., bearing out Schultz's statement.

Schultz denies charges. Schultz is almost as well known in art circles as Mrs. Schultz, who before her marriage was Annabelle McFarland. He has done some fine work with the brush, and it was through their mutual interest in painting that the two met. They eloped to Santa Ana and were married and it was not until a month later that the secret leaked out. Schultz declared today that the allegations made against him in his wife's complaint are untrue. He admits that he did go through a ceremony with an Indian maid, but later found out that it was invalid. The ceremony followed a meeting at a reservation dance, followed by his flight with the girl. They rode away on the same horse and upon their return three days later the girl's father forced him to go through the ceremony. Schultz declares that his present wife was told all of this prior to their marriage. This she denies.

Two Sordid Chapters Disclose Syndicate's Grip on Alaska

WICKERSHAM GETS CONTROLLER CASE RESPITE; HEARING DELAYED FOR TIME. HOLDS DYNAMITE; EXPLOSIONS DUE

Attorney General, Apparently Undisturbed, Departs for a Week of Speechmaking—Dickinson in Scandal.

(By the International News Service.) Washington, July 15.—The prompt investigation of Attorney General Wickersham in connection with the newest Alaska spoliation scandal was delayed unexpectedly today by the absence of Judge Henry D. Clayton, chairman of the committee on the judiciary. Judge Clayton is to report the resolution of Delegate James Wickersham calling on Attorney General Wickersham for all information in connection with the alleged frauds in the award of coal contracts for use in Alaska and for an explanation why no prosecutions were undertaken until after the statute of limitations made criminal action impossible. The house adjourned today until next Wednesday. Judge Clayton is expected to push the resolution through.

Another important end to this scandal became known today when it was learned that General Dickinson, while secretary of war, had similar information as to the frauds in the war department's Alaska coal awards submitted to him by Delegate Wickersham. Dickinson ignored the complaint. So far as is known he never gave any reason why he failed to investigate these contracts under the proofs of frauds submitted. The department of justice is apparently untroubled by the three of imbecility and allegations of crimes and misdemeanors by Attorney General Wickersham.

The attorney general left here this afternoon on the Congressional Limited for New York for a week's absence, which will be spent principally in the west, where he will make some speeches. Syndicate Still Liable. The department of justice points out that while in all probability the statute of limitations in the Alaska affair has run against prosecution for the syndicate or its members for prosecutions of conspiracy to defraud the government. The house committee on expenditures in the agricultural department has taken up the part of the attorney general has played in recommending the dismissal of Dr. Wiley. This committee will attempt to reconcile Mr. Wickersham's opinion that Dr. Wiley should be dismissed for hiring a \$1600 expert with the fact that the attorney general himself saw nothing wrong in paying his own experts sums running into the thousands. Frank B. Kellogg, for instance, received \$59,000 fees and \$22,000 in expenses in lump sums and unitemized accounts.

The committee on expenditures in the (Continued on Page Seven.)

PACIFIC COAST STEEL MILLS IN MERGER, REPORT

Consolidation of Steel Interests in Seattle, Portland and San Francisco Being Worked Out Is Claim.

(By the International News Service.) Seattle, Wash., July 15.—Following the trend towards consolidation of the steel interests throughout the world, a merger of three principal steel concerns of Seattle, Portland and San Francisco is being worked out in the latter city. As regards this city the plant of the Seattle Steel company is to be taken in. William Pigott, the principal financial force in the concern; E. M. Wilson, its president and general manager, and D. E. McLaughlin, vice president and treasurer, are now in San Francisco. Seattle is to be the headquarters of the merged concern. The Seattle Steel company's plant, some five acres in ex-

(Continued on Page Four.)

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SECRET OF DEATH IS OBSERVED BY DR. P. O'DONNELL

Chicago Physician Explains a Remarkable Experiment Performed on Dying Patient in Charity Ward of Hospital.

X-RAY EXPERT TRIES TEST ON FOUR GIRLS

Claims to Have Witnessed the Phenomena That Accompanies Passing Away.

(By the International News Service.) Chicago, July 15.—"I have actually observed the spirit leaving the body of a dying man who was a charity patient at Mercy hospital."

This startling announcement was made by Dr. Patrick O'Donnell, an X-ray expert of Chicago today. He adds to the statement that he believes he has discovered what in fact constitutes the soul or spirit. According to Dr. O'Donnell's story, an invited number of Chicago physicians attended his latest demonstration at Mercy hospital last Thursday night. Previously he had held demonstrations in his office in the Heyworth building, using four young women as models for the detection of the "human aura." Using a film of diacyanin and other chemicals held between two small plates of glass all of the physicians present admitted that they had seen the "human aura" or "halo" of light waves that surrounded the bodies of the women. This "aura" developed as a strong radiata of light surrounding the outline of the body and the head.

Secret of Death Explained. Following up these experiments Dr. O'Donnell, believing he had found the secret of death and the way the soul passes from the dead body when dissolution comes, went further. Here is his own story of his version of what happens when death comes and life departs.

"The patient was reported as having only a few minutes to live. I looked at the man through this chemical screen for almost half an hour. The aura was plainly distinguishable. The doctor attending said the patient was sinking rapidly and I did not take my eyes from the screen. Suddenly it was announced that death was about to occur. At the same instant the aura which as a bright light had been radiated from the body at all points began to spread from the body and disappear. Further observation of the body revealed no sign of the aura."

Dr. O'Donnell says he does not claim that this aura is the soul or spirit. He says he does not know what it is but declares that he has witnessed the fact that it is an activity that is present during life and passes away after death. Dr. O'Donnell promises to go further. He wants to solve the question "has an animal a soul or spirit kindred to that of man?" Tomorrow he expects to test a horse and a dog to see if it, too, has an aura.

CHOLERA MENACES NEW YORK CITY; NEGLIGENCE CHARGED

Health Officials of Eastern Metropolis Engage in Struggle to Prevent Dread Malady From Gaining Ground.

(United Press Leased Wire.) New York, July 15.—With cholera at its gates, the health officials of New York are taking more energetic precautions than ever tonight to prevent the disease gaining a foothold in the city. Allegations of carelessness on the part of the quarantine officials were freely made and it is likely that, as the result of today's developments, stringent regulations will be adopted to prevent employees and attaches of the quarantine station mingling with outsiders.

Patrick Cushing, night watchman at quarantine, lay for 24 hours in the public ward in St. Vincent's hospital, at Livingston, Staten Island, before it was known that he had cholera. Two hours after he had been rushed back to quarantine he died. Allegations that Dr. A. H. Doty, health officer, permitted his employees, who guard the detained immigrants, to come to New York without being submitted to any fumigating process and even without changing their clothes, were also made today by Attorney Charles Dushkind, counsel for persons who want Doty removed. In support of his charges, he produced Charles Leavitt, carpenter at Hoffman Island, who said that he and five others came and go from the contagious disease hospital without interference.

Dr. Doty insisted tonight that everything possible was being done to prevent cholera getting into the country. "There is absolutely no danger of the disease getting here," he said. "There might be a sporadic case, such as the Cushing case, but all such would be controlled from the very moment they were discovered."

La Grande Has Eastern Night. (Special to The Journal.) La Grande, Or., July 15.—La Grande has been aweltering in almost record heat here today and the night keeps to a pitch of an extreme heat as one night before this week when the mercury went down only to 75 degrees where 35 is a normal night summer temperature.

Cabinet Members Involved in Investigation of Sen. Lorimer

His Proper Place



DENEEN TELLS OF CONFERENCE WITH SEC. MACVEAGH

Governor of Illinois Testifies to Having Told President's Agent of Part He Played in Lorimer Election.

(United Press Leased Wire.) Washington, July 15.—As a result of developments at the Senator Lorimer hearing this afternoon, a second member of the president's cabinet will be called as a witness.

Secretary of the Interior Fisher already has been named. He was appealed to by Senator Root, Republican, New York, to get from Publisher Kohlsaat of Chicago the name of the men who told Kohlsaat about the Lorimer slush fund. The climax of Governor Deneen's testimony came when the name of Secretary of the Treasury MacVeagh was mentioned today.

"In August, 1909, three months after the election of Lorimer," said Deneen, "I was asked to meet Secretary MacVeagh at the federal building in Chicago. He wanted to know for the information of the president the part I had played in Lorimer's election."

President Is Mentioned. "I told him to tell the president that he, President Taft, was the one who had elected Lorimer, that he was the one who was under suspicion and that he had sent a telegram favoring Lorimer. I told him that Mr. Hines had telephoned to me that President Taft had sent that word to me through Senator Aldrich."

Four witnesses were summoned for Monday—Herman H. Hettler, William Burgess, James Keeley and Henry Turrish. Hettler will be asked regarding an alleged statement made to him by Edward Hines, that he (Hines) "told" Lorimer. Burgess will be asked relative to an alleged conversation he had in March, 1911, on a train in Minnesota with O. F. Wiehe, secretary of the Hines lumber company, in which Wiehe is alleged to have remarked that he contributed \$10,000 to the Lorimer slush fund.

SHERIFF MASS OF CLACKAMAS TO GO TO RAINIER, WASH.

With Dr. Cathey He Will Visit Scene of Recent Crime in Effort to Connect Perpetrator With Hill Murder.

If Swan Peterson, the section laborer in jail at Olympia charged with the killing of Arthur Coble and his wife at Rainier, last Monday night, is guilty of the crime a strong link in the evidence will be added tomorrow when Sheriff Mass of Clackamas county and Dr. C. C. Cathey will make a thorough examination of his clothes and articles of blood worn every day since the Barbara Holzman murder last March. So fully does the Coble crime duplicate the Hill crime at Ardenwald that Sheriff Mass has concluded to go over the ground and get the facts first hand. Dr. Cathey will go to test the clothing and see if there are any spots on the floor of the Coble home where the crime was committed, and spots where blood was found as far as four feet from the side of the bed in which the dead couple lay. The blood had been forced from the head of Mrs. Coble when her skull was split open by the blow (Continued on Page Eleven.)

HOT SPELL KILLS A FARM LABORER; WAVE IS BROKEN

Suns Rays Beat Down P. F. Mahler in Field Near Fairview—Portland Man Overcome, Falls Off Dock.

TEMPERATURE FALLS AS COOL WINDS BLOW

Forecaster Beals Says Indications Are That Relief Is at Hand.

Hourly Temperatures. 5 65.1 86. 6 65.2 86. 7 67.3 82. 8 70.4 92. 9 73.5 93. 10 78.6 94. 11 83.7 91. 12 noon 83.8 85.

The first death due to the prevailing hot weather occurred yesterday, when P. F. Mahler, an employe on the farm of C. W. Clute, near Fairview, died in the hay field. After the body was brought to Portland, Deputy Coroner Dunning examined it, with the result that he learned death was caused by the heat.

The man appeared at the Clute farm Friday morning and asked for work. He worked that day, and yesterday until about 2 o'clock, when he became ill. A physician was called, but the man died before he arrived. He was about 58 years old. Overcome by the excessive heat of yesterday afternoon, John Vizar, a laborer, fell from an East Burnside street dock to some logs ten feet below, breaking one of his legs. When searched at police headquarters, where he was taken for attention, \$10 was found in his pockets. He was quietly revived after being relieved of his clothing at the station.

With a promise of cooler weather today, a slight breeze sprang up last night between 7 and 8 o'clock, putting an end to a day which, if not the hottest of the season, was a sizzler, the lack of any wind during the day causing the people of Portland to suffer more than they did last Thursday, when the thermometer reached the highest point of the summer so far—97 degrees. Freshish atmospheric conditions are held responsible for the weather that has made Portland pant for the last three days, according to the weather man. Yesterday presented an unusual condition for this part of the country by an increasing temperature until the thermometer reached its highest point for the day at 8 o'clock when Old Sol ran the mercury up to 94 degrees.

CYCLONE BLOWS CHURCH DOWN; TWO LOSE LIVES

Windstorm Strikes Presbyterian Meeting House and the Walls Fall, Crushing Carpenter and Hindu.

(United Press Leased Wire.) El Centro, Cal., July 15.—Two persons lost their lives and several others were injured here this afternoon by a cyclone, which destroyed property to the extent of about \$50,000. The storm came shortly before 3 o'clock and was very terrific while it lasted. The principal damage was done to the high buildings and churches. The Presbyterian church was razed and it was when this structure was felled to the ground that the lives were lost. The victims were Leslie Novant, a carpenter, and Singh Hunt, a Hindu. Both were crushed by the falling walls and died a short time later at the St. Thomas hospital.

Others who were struck by flying pieces of timber and debris, none were seriously injured. Several small fires were caused by the cyclone, but the damage by flames was very nominal.

MAYOR MCCARTHY FREES PRISONERS FOR HIS OWN POLITICAL PURPOSES

(Special to The Journal.) San Francisco, July 15.—Paroling prisoners from the county jail and liberating them for the sole purpose of distributing banners and election cards is the latest phase of the coming election which Mayor P. H. McCarthy is having carried at the rate of one a day through Sheriff Tom Finn and District Attorney Fickert. This startling fact was brought out by an investigation today into the records of the district attorney's office, which shows that McCarthy and his friend, the sheriff, have been working the scheme literally "to death" for the past month. The latest case to come to light through investigation is the liberating of Frederick Bahrt, a vagrant, who was convicted in the police court of vagrancy, though in reality, the charge should have been battery. Evidence was adduced to show that Bahrt beat his aged mother in a brutal fashion. Political influence was brought to bear when the case was called in the courts and Bahrt was convicted of vagrancy and sent to the county jail to serve 30 days. Bahrt started his sentence, but after serving 13 days in Finn's battle, was liberated by Finn and District Attorney Fickert. Bahrt is now distributing banners for McCarthy and Finn, announcing their candidacy for re-election. From people who are in touch with the affairs of the present administration comes the word that McCarthy and Finn will practice the same sort of tactics until the election in November is over. Examination of the records in the district attorney's office today show that McCarthy and Finn have liberated petty offenders from the county jail for the past month at an average of one a day. Most of the prisoners were about 10 to 20 days when paroled and have been sentenced for such offenses as battery, drunk and petty larceny.