

BANK'S LOSSES WILL INCREASE IN THE FUTURE

Report of Auditors on Bank of North Dakota Says Depreciation Will Be Felt

REVIEWS BANK'S HISTORY

Final Report on State Industries Takes Bank Condition From The Beginning

Final settlement of business of the Bank of North Dakota originating under its previous management will materially increase the losses of the bank, now placed at \$150,475.64, according to conclusions drawn in the audit report of Bishop, Brissman and Company, made public today. The report is the fourth and last of the reports made by that firm of the operation of the state industries for the new Industrial Commission. It covers a period of the bank's operation from July, 1919 to December 12, 1921.

"It is apparent," says the report, "that a considerable amount of the assets will be slow of liquidation and realization, and considerable ultimate losses of these assets will be sustained which will correspondingly increase the book deficit."

The auditors, in making their computations, listed all assets at face value, the report says and adds that "no reserves were computed by us to provide for such depreciation."

Insufficient collateral required for loans, losses in loans to closed banks and farm loans on which money has been paid out but which cannot be completed because of unpaid taxes or lack of good title on the land are among the conditions pointed out as leading to further losses in the bank.

The auditors, however, find an improved condition under the new management of the bank by C. R. Greene and the new Industrial Commission, including a marked reduction in expenses, revision of records and more careful consideration of loans made.

The heaviest loss sustained in the operation of the bank was during the year, 1921, the report shows. During that year, 1921, when the bank was in operation for about six months it sustained a book loss of \$4,795.82, showed a profit of \$74,924.07 in 1920 and a loss of \$220,603.89 in 1921 up to December 12, according to the report.

Discussing the bank reports issued under its former management which showed great profit the audit company shows that these profits were "paper profits" and were arrived at in large measure by crediting to the bank interest on bank bonds which had not been sold. In the year 1919 the bank credited up to \$47,334.04 interest on bank bonds received and accrued, but the bank did not charge itself with any interest on the bank series bonds, the report says. The bank also credited to itself discounts and commissions paid on bond sales, which represented a loss, and accrued interest in closed banks.

"Thawing out" of "frozen assets" under the new bank management is reflected in the statement that the "frozen assets" now total \$2,096,481.73. At the peak they totalled several million dollars.

Criticism of Farm Loans
A condition of which there is severe criticism implied is the inability of the bank to transfer \$119,176.26 of farm loans to the state treasurer because the loans, although made in 1919 and 1920, are still uncompleted.

The first loan made by the farm loan department of the bank—loan No. 1, application No. 9—to James W. Pauley, Aug. 16, 1919, "is still uncompleted and in an unsatisfactory condition," the report says. Included in the amount of loans on which bonds cannot be issued because they are in unsatisfactory condition are four loans to D. J. McMahon, the report says. They amount to \$25,000 and are dated January 2, 1920. The report says: "These loans were later covered by one blank mortgage. No interest was paid on this mortgage to date of audit and we were advised that the taxes on the properties were also unpaid."

"In detail No. 16 are listed the farm loan special deposits in the open banks, of \$64,400.00," the report says. "These deposits were made to provide funds to clear up the incumbrance of the properties for which loans had been applied for. You will observe that of these deposits two were made in 1919, twelve in 1920 and one in January 1921. It would seem that the completion of these loans is unusually slow." Farm loan deposits in closed banks amount to \$48,600.00.

Among the loans of the bank is one of \$28,972.02 to the Equity Co-operative Packing Company, Fargo, which is in the hands of a receiver. The report says the security to this is a mortgage on some land, that an executed deed is on file "but owing to unpaid taxes thereon of \$6,972.02, the deed had not been recorded."

Place of Heaviest Losses
The greatest losses which will be sustained by the bank are in transactions with closed banks, it is anticipated. The total liabilities of closed banks to the Bank of North Dakota amount to \$1,682,765.57.

"These assets, the same as all other assets," the report says, "are stated at full face value, but it is apparent that the final liquidation (and the liquidation will be slow) will result in a very large depreciation of the said assets and will correspondingly increase the book deficit."

The Scandinavian-American Bank of Fargo, now closed, had incurred an overdraft of \$15,874.01 when it closed, according to the audit report. The bank has \$232,093.20 in redemptions and \$138,794.51 in loans, the report shows.

Included in the collateral are two notes executed by the Bering Sea

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NAMED IN BANK FRAUD



Everette R. Peacock, former president of the Milwaukee-Irving State Bank, Chicago, is one of seven against whom the state's attorney says he will ask indictments. The bank, officials charge, was looted of \$468,000. Peacock has issued a statement saying he knows nothing of the missing funds.

TIME LIMIT ON LOAN REQUESTS FIXED AT MAY 1

Federal Director Announces From Grand Forks Office Total Amount of Loans

MOSTLY IN NORTH DAKOTA

All applications for federal seed loans must be completed and in the local office by May 1, according to C. W. Warburton, director of disbursements in an announcement made from the Grand Forks office. As the time is short, Mr. Warburton advises all possible speed on the part of any farmers who have not already taken steps to secure them.

The latest figures from the Grand Forks office show that a total of 2,691 loans have been made in five states, North Dakota, Montana, South Dakota, Washington, and Idaho, to the amount of \$368,231.49. In the state of North Dakota which has received the greatest amount of aid, 1,644 loans have been made in 26 counties, the total amount of which is \$235,309.55. Hettinger county is first with 276 loans for \$43,307.00. Bottineau county has stepped into third with \$21,470.00 and is the only county outside of the southwest section that is drawing a large amount of loans. Slope county is second with \$23,231.50.

Montana has made 359 loans to the amount of \$125,211.71, while South Dakota is third with 87 loans. Two have been made in Washington and but one in Idaho.

The loans and amounts by counties in North Dakota follow:

County	Loans	Amount
Adams	68	\$10,220.00
Benson	6	745.00
Billings	97	11,525.00
Bottineau	134	21,470.00
Burleigh	73	8,187.50
Bowman	13	1,598.50
Emmons	4	500.00
Dunn	84	11,567.50
Golden Valley	84	14,560.50
Grant	137	17,765.00
Hettinger	276	43,307.00
Kidder	34	4,947.05
McHenry	34	3,555.00
Mercer	7	1,155.00
McLean	80	10,950.00
Morton	20	2,257.00
Oliver	16	2,200.00
Pierce	16	4,661.00
Renville	25	1,992.00
Divide	13	350.00
Slope	4	33,231.50
Stark	142	23,725.00
Ward	35	3,830.00
Williams	8	1,905.00
Total	1,644	\$235,309.55

Montana
All counties 359 \$125,211.74

South Dakota
All counties 87 7,320.20

Washington
All counties 2 240.00

Idaho
All counties 1 150.00

Grand Total . . . 2,691 \$368,231.49

Fire Department Called

The fire department was called to the neighborhood of the residence of S. S. Clifford, 411 Sixth street, Saturday afternoon to extinguish a rubbish pile that was burning.

LIQUOR SMUGGLED ON FORMER U. S. SUB-CHASER, OFFICIALS SAY

New York, April 24.—A bootlegging scheme whereby liquor was smuggled into this country from Bermuda and Cuba on a former submarine chaser commanded by officers wearing the uniform of the U. S. Navy has been unearthed, it was announced today at the customs house. The former chaser 101 renamed Didus has been seized with her commander and crew of seven, the announcement stated.

Customs officials claimed to have received word from the crew to effect that pirates had up the chaser yesterday afternoon 20 miles off Mon-

TOWER BLOWN OVER BY WIND AT THE RIVER

Wire Communication Between Mandan and Bismarck Interrupted, Train Held Up

WIND SWEEPS RIVER

Heaviest Blow is Along Course of Missouri—Wind Velocity 62 Miles an Hour

A high wind which apparently followed the course of the Missouri river over midnight Saturday blew over a 110-foot tower of the Hughes Electric Company, on the west side of the river bank. The tower carried high tension wires which current is sent to the N. P. shops in Mandan. When the tower fell across the railroad embankment it knocked down Western Union telegraph and N. P. wires, cutting off communication. The midnight N. P. train was held up for an hour and a half while the track was cleared. The wires were being repaired yesterday and today.

The wind also took the roof off the engine room of the Hughes Electric Company plant in Bismarck, and a big sign board at the corner of Main and Third streets. Several trees in the city were broken off by the force of the wind.

Some fencing at the Bismarck baseball park was blown down. A few telephone circuits were out on account of the windstorm, but no reports of serious damage were received. The wind blew hard all over the western part of the state.

According to the local weather bureau the wind reached a velocity of 62 miles an hour for a brief time about 9:15 p. m. Saturday.

A half-dozen plate glass windows were broken in Mandan, and several trees were blown down.

UTILITY TAX INJUNCTION UP IN COURT

Motion Made to Dissolve Injunction Against Collection of Hughes Electric Tax

Argument was expected to be heard today in district court on a motion to dissolve an injunction granted the Hughes Electric Company against the sheriff of Burleigh county on an order to him from the state tax commissioner to proceed to levy on property of the company for taxes.

George E. Wallace, former tax commissioner, is appearing as attorney for the county, having been retained by the county commissioners. Alleging the company had failed to pay approximately \$28,000 taxes covering a period of two or three years, Wallace, when tax commissioner, instructed the sheriff to levy on the company's property. The injunction was granted by Judge Berry. The company had disputed the assessments on its property for the period named in suits in court.

KIDDER STATES ATTORNEY NAMED

Arne Vinge Is Appointed To Fill Vacancy There

(Special to The Tribune)
Steele, N. D., April 24.—Arne Vinge, attorney of Steele, was named states attorney by the board of county commissioners meeting in special session here Saturday afternoon, to fill the place made vacant by the death of Charles O. Seagren. Mr. Vinge formerly was county judge and has practiced law in Steele for several years. He is not of the same political faith as his predecessor in office.

Mr. Seagren passed away Easter Sunday. He was county judge of Kidder county for four years. He retired to his farm and studied law there. He was admitted to the bar after he had been elected states attorney of Kidder county in 1920. The body was sent to Sheyenne, N. D. for burial. Mr. Seagren was survived by his father, F. O. Seagren, of Robinson, one brother, Edward, of Steele, and a sister, Mrs. Nellands, of Duluth.

Wheel traffic in Italy keeps to the left in large towns and to the right in the country.

ORGANIZATIONS WILL UNITE ON CLEAN-UP AND PAINT-UP CAMPAIGN

Following the issuance of the proclamation by Mayor Lenhart proclaiming the week of May first to sixth as "Spring Clean-Up Week" organizations were lining up forces today in a campaign for united action in response to the proclamation.

The Town Clerks club has voted to get behind a clean-up and paint-up campaign and women's organizations, the schools and business men are expected to join in the common effort. During this week it is hoped that citizens generally will unite to

OFFERED \$250,000 FOR CONCERT TOUR

Chicago, April 24.—Though Mary Gardin announced nothing definite concerning her future following her resignation last night as general director of the Chicago Opera Association, it was expected she would leave for New York sometime today ostensibly for a conference with her concert manager, Charles Wagner, who is reported to have offered her \$250,000 for a concert tour next season.

I. H. C. DEALERS HERE FOR BIG "PEP" SESSIONS

Western North Dakota and Montana Dealers in City For Discussion of Business

TO DRIVE AWAY TRACTORS

The Chicago representatives of International Harvester Company of America, Messrs. J. L. Lipton, manager for Northwest District, H. O. Alexander, manager Cream Separator Department, A. Yerkes, editor of Tractor Farming, J. W. Nixon, district manager, Motor Trucks, H. D. Cogdell, district manager of Cream Separators, are in the city and everything is set for the dealers "Get-Together" meeting to be held at the Harvester building tomorrow.

The following dealers have accepted the Harvester Company's invitation to attend this meeting: O. F. McGray, Garrison, N. D.; Robert Peterson, Coleharbor, N. D.; Axel Nelson, Washburn, N. D.; C. T. Thompson, Wilton, N. D.; P. C. Eans, Rogan, N. D.; Grant Hubbell, Wing, N. D.; C. P. Koppin, Tazewell, N. D.; C. A. Dahlgren, Potlatch, N. D.; E. E. Strandsmo, Baldwin, N. D.; S. B. Niles, Dawson, N. D.; O. B. Olson, Driscoll, N. D.; W. Rogers, McKenzie, N. D.; H. Zimmer, Hazleton, N. D.; Harry Petrie, Linton, N. D.; Peter VanSant, Strasburg, N. D.; Jacob Schall, Hague, N. D.; Mike Henne, Zealand, N. D.; Fred Junge, Braddock, N. D.; John P. French, Bismarck, N. D.; M. B. Fallgatter, Kintyre, N. D.; D. H. Houser, Napoleon, N. D.; Chas. Hernet, Burnstad, N. D.; Gottlieb Kieckhefer, Minnehaha, N. D.; Martin Gackie, Kulm, N. D.; John Hoffmann, Ashley, N. D.; A. A. Saylor, Venturian, N. D.; A. Huber, Herreid, S. D.; M. DeBoer, Pollock, S. D.; E. LaRude, Pollock, S. D.; E. A. Johnson, Sanger, N. D.; Henry Cordes, Center, N. D.; John Sailer, Stanton, N. D.; Otto Krause, Hazen, N. D.; Fred Krause, Hazen, N. D.; George Slowey, Bismarck, N. D.; John Field, Zap, N. D.; W. R. Neumann, Golden Valley, N. D.; P. W. Gleyrich, Kidder, N. D.; Henry Bauensfield, Mandan, N. D.; H. Seaman, Selen, N. D.; Orin Abrecht, Flassher, N. D.; P. G. Dittus, Elgin, N. D.; A. T. Vilhaer, Hell, N. D.; J. J. Bader, New Leipzig, N. D.; A. T. Lau, Shields, N. D.; W. J. Glenn, Mott, N. D.; John Jungers, Regent, N. D.; Harold Bower, New England, N. D.; L. E. Shobe, Judson, N. D.; Gust Weirreich, New Salem, N. D.; Emil Trevalous, New Salem, N. D.; E. E. Templeton, Minn. N. D.; Adam Berger, Glen Ullin, N. D.; Stephen Lindemann, Richardson, N. D.; Frank Lindemann, Richardson, N. D.; Elling Helmer, Taylor, N. D.; D. W. McKenzie, Dickinson, N. D.; Henry Sorenson, Bellevue, N. D.; W. E. Schuett, Wibaux, Montana; E. A. Shabel, Glendive, Montana; Max F. Schultze, Fallon, Montana; O. E. Anderson, Plevna, Montana.

This "Pep and Prosperity" meeting being held over the United States, setting forth the facts that the depression is practically over, unemployment is disappearing, crop prospects are good, prices for farm products are jumping up and that the clouds of agriculture are fast passing.

The Great Northwest already heads the procession advancing on prosperity and will maintain that place in years to come.

TRACTOR ADVANCES NORTHWEST

The rapid extension in agriculture in the Northwest has been brought about by the use of the tractor. The use of tractors is rapidly increasing and the manufacture of them and of equipment for them is becoming one of the great industries of the country. The Northwest especially is far advanced in the introduction of tractors because it is a great grain growing country and its progressive farmers have always been in the lead in the use of up-to-date machines.

The tractor is now a thoroughly practical, dependable machine, cheap to operate and efficient for both other words, not only will it pull plows, harrows, seeders and reapers, but it also will operate threshers, silo fillers, corn shellers and huskers—jobs which horses cannot do. The tractor is really an all-around farm power plant.

According to extensive records of operation of tractor and horse farms which have been kept, figures show that the tractor for the medium size and large farm does cheaper, faster and better work and greatly increases the crop yields. Reports show that deep plowing done at the right time with tractor power results in an increased yield of 25 percent per acre.

Prices Are Lower

Farmers are rapidly becoming accustomed to the use of tractors and soon they will be considered as indispensable to the average farm as the automobile for transportation. The coming into universal use of the tractor will mean a new epoch for American agriculture.

Tractor prices today are lower than ever before, but not only means lower cost for farm work, but places the mechanical power plant within easy reach of thousands of farmers, who could not afford a tractor at the prices which prevailed a few years ago.

STEAMER WITH CREW OF 16 IS SAID MISSING

Steamer Lampden Started in Lake Superior to Replenish Lighthouse Supplies

WRECKAGE DISCOVERED

Signs of Wreck Are Discovered By Two Steamers South Of the Islands

Sault Ste. Marie, April 24.—The steamer Lampden, of the Canadian lighthouse service, carrying a crew of about 16 men is believed to have sunk southeast of Michipicoten Island in Lake Superior during the storm of last week.

The Lampden, carrying lighthouse keepers and supplies for Michipicoten and Caribou Islands left here last Tuesday morning. Nothing has been heard from her since and the lights on the two islands have not been lighted.

Wreckage was sighted about 25 miles southeast of the Michipicoten islands by the steamers Collingwood and Valcartier which passed through the American locks here last night.

PETITIONS OF HILL HEIRS IN COURT DENIED

Judge Will Not Appoint Administrator Asked For By Either Faction

St. Paul, April 21.—Petitions of contending heirs of Mrs. James J. Hill for appointment of either the Northwestern Trust Company or Louis W. Hill as administrator for her \$12,000,000 estate were denied by Probate Judge Howard Wiesler in a decision filed today.

Judge Wiesler held that the controvcrsies among the nine children had disqualified both applicants and held that unless they agreed on an administrator or administrators by May 5, the court will make its own selection.

COAST GUARDS PATROL RIVER

Beardstown, Ill., April 24.—United States Coast Guards patrolling the Illinois river from here to Campsville are acting as the right arm of the Salvation Army in flood relief work in a dozen river towns.

With three power boats and a dozen skiffs the guards are rushing food into the isolated villages where refugees are beginning to feel the pangs of hunger. The Salvation Army is preparing for three months of relief work in the flooded district.

The river was expected to start a gradual fall today.

MISSISSIPPI IS RECEDING

Muscatehne, Ia., April 24.—The Mississippi river was receding today, beaten in its efforts to break through levees in this vicinity. Damage of \$100,000 was caused, however, by a steep stage of 19.1-2 feet, a record high mark. Flood stage is 16 feet.

Weather Report

For twenty-hours ending at noon April 24, 1922.
Temperature at 7 A. M. 65
Highest yesterday 65
Lowest yesterday 49
Lowest last night 49
Precipitation Trace
Highest wind velocity 24-NW

Weather Forecasts
For Bismarck and vicinity: Mostly cloudy tonight and Tuesday; not much change in temperature.
For North Dakota: Mostly cloudy tonight and Tuesday; somewhat colder tonight in southeast portion.

General Weather Conditions
A low pressure trough covers the Mississippi Valley and rain is falling over that section but the amounts so far reported are light. Heavy falls have occurred in Oklahoma and northern Texas. Scattered showers, mostly light, occurred in North Dakota Saturday night. Maximum temperatures between 70 and 80 degrees were recorded in North Dakota Saturday and Sunday.

GOVERNOR MAY BE OUSTED



Eimon Reilly of Kansas City, governor of Porto Rico, soon may be removed from the post by President Harding, say Washington dispatches quoting a source close to the president.

RAIL EMPLOYEE IS KILLED BY STENOGRAPHER

Oscar Erickson, Minnesota Man, Is Killed by Girl Held in Jail, Jury Says

Montevideo, Minn., April 24.—A coroner's jury decided today that the bullets that ended the life of Oscar Erickson, railroad accountant, were fired from a revolver supposedly in the hand and by Elsie Salsbury, a stenographer in the same railroad offices.

In the county jail the little stenographer, haggard from loss of sleep and refusal of food, denied herself to all interviewers except her own sister, Mrs. Edward Hoffman, of Willmar.

No motive for the shooting other than jealousy had been suggested today.

BERGDOLL WRIT IS DENIED

Washington, April 24.—The supreme court today denied the application of Erwin R. Bergdoll, of Philadelphia, for a writ of habeas corpus. Bergdoll, is now serving a sentence of four years in Leavenworth for failure to perform military service during the war and contended he was illegally convicted.

CAN'T SURRENDER PROPERTY
Washington, April 24.—Justice Bailey, in the supreme court of the District of Columbia, today ruled that the alien property custodian cannot be required to surrender the property of Grover C. Bergdoll, valued at \$750,000 if the government proves that Bergdoll has been convicted of desertion and is now a fugitive from justice.

GOV. SMALL IS ON TRIAL TODAY

Waukegan, Ill., April 24 (By the A. P.)—Governor Len Small went on trial before Judge Claire Edwards in Lake county circuit court at 11:25 this morning charged with conspiracy to embezzle state funds.

With the last preliminary disposed of 12 men were called for the box and selection of a jury to try the governor, who was indicted July 20 of last year, got under way.

JILTED SUITOR KILLS GIRL

Port Washington, Wis., April 24.—Refused permission to wed Miss Katie Watry, 30, daughter of a prominent Port Washington politician, Peter Gibbs, Shobogan cannery employe, shot the girl to death and then killed himself in the Watry home Sunday.

DRAKE MILL IS REOPENED TODAY

The Drake flour mill reopened this morning, according to word received here. The mill was closed down for a few days. New orders made possible the reopening, it was said.

POINCARÉ SAYS FRENCH ENVOYS MAY QUIT GENOA

Premier in Speech Says That She Stands on Original Program of Conference

HE DENOUNCES TREATY

Declares German-Russ Treaty Proves France was Right in Contentions

London, April 24.—A Central News dispatch from Genoa today says: "It is learned unofficially that the Reds are negotiating a secret treaty with Hungary giving mutual support against Roumania and the little entente."

Bar le Duc, France, April 24.—By the A. P.—Premier Poincaré announced in a speech here today that if the French delegation at Genoa could not go ahead with its work under the agreed conditions France would regretfully have to cease participation in the conference.

Referring to the Russo-German treaty signed last week at Rapallo the premier said:

"That accord brings out into the full light the sympathies that had developed in the darkness between the Bolsheviks and the Germans. How many persons wrested from their confidence of yesterday will not now admit that the cabinet was right in desiring to insist for the moment on eighteen months military service."

"France will, if necessary, undertake alone to see that the treaty of Versailles is executed if the Germans default in their reparations payments, Mr. Poincaré indicated."

WILL SUBSCRIBE TO PACT.
Genoa, April 24.—(By the A. P.)—The French delegation announced today that it was willing to subscribe to the proposed pact under which the various nations would agree to abstain from aggression provided it was backed by proper guarantees, considered especially necessary in view of the Russo-German pact.

LOYD GEORGE WEARY.
Genoa, Italy, April 24.—David Lloyd George, premier of England, is growing weary of crises in the Genoa conference and with the countries that caused them, according to a dispatch which Henry Wickham Stead, correspondent of the London Times, sent his paper.

Steed further said: "Conversing with some of the delegates Mr. Lloyd George declared that if France broke up the conference she would bring on a European war in which England would take no part; France would end by being crushed. He was determined to show where the blame lay."

COURT RULES ON TRADE NAMES

Washington, April 24.—Trade names and labels used by manufacturers must not convey to the purchasing public an inaccurate description of the material or ingredients of the manufactured products, the supreme court decided today in a case brought by the federal trade commission against Winstead Hosiery Company.

MAKES CHARGE AGAINST JUDGE

Washington, April 24.—Charges that Federal Judge Orr at Pittsburgh had refused alien miners applying for naturalization their papers because they joined union forces in the national coal strike were made by the labor committee today by John Luteranski, an interpreter employed by the United Mine Workers in the Pittsburgh district.

FRAUD CHARGED NEW LEIPZIG MAN

John Hauff, New Leipzig blacksmith, has been arrested on a charge of attempting to defraud an insurance company and released under \$1,000 bond, according to announcement at the office of the state fire marshal. Hauff is charged with having set fire to his building on October 28, 1921. Insurance on the building was not paid because of the circumstances of the fire, according to O. T. Haaken, deputy fire marshal, who made the arrest.

BUILDING OF LEGION EXEMPT

American Legion posts are not required to pay taxes upon post buildings, according to a ruling made by C. C. Converse, tax commissioner. The ruling was made in response to an inquiry from Williams county. The county auditor had held that the Wildrose legion post, which owns a building, was required to pay taxes on it. The tax commissioner holds the building is exempt from taxation under the general provision of law affecting commercial clubs, lodges and charitable societies.

A bamboo tree grows so rapidly that its growth can easily be seen through a microscope.