

BANK OF ALBERTA ORGANIZING

Charter Has Been Obtained and Stock Issue Will Be Made Shortly

The bill in connection with the charter of the Bank of Alberta has been passed by both the house of commons and the senate, and nothing remains except the assent of the governor-general, which will be given toward the end of the session.

The provisional directors of the bank are Messrs. Thomas Underwood, of Calgary; William Sugarman, D. R. Fraser, F. M. Lee, A. Jackson, G. S. Montgomery and E. S. McQuaid, of Edmonton.

Permanent Board of Directors.

These gentlemen are arranging for a permanent board of directors and intend to make the board as representative of the province of Alberta as possible. One or two additional men from Calgary, a representative from Medicine Hat and one from the more southern section of the province, around the Lethbridge or McLeod district will be asked to join the board. Due provision will be made for Edmonton representation on the board, as, owing to the fact that the head office is in Edmonton, it will be desirable to have at least a quorum of the directors resident in that city or in the immediate vicinity.

Arrangements are being made for issuing a prospectus and placing an issue of the stock in the hands of competent salesmen. These salesmen will make a thorough canvass of Alberta as well as of other fields where money can be obtained. The provisional directors are in communication with Chicago and New York people who appear to be disposed to take a block of the stock. Some of the stock may also be placed with English capitalists.

Have General Manager In Mind.

The promoters have a goodly number of inquiries regarding stock from various parties in Alberta and Saskatchewan, indicating that the people generally are interested in the proposal to establish a bank with head office in Alberta.

A large number of subscriptions have been promised, which it is hoped will materialize as soon as the stock books are formally opened. The provisional directors believe that, although money is tight, the minimum capital will be gathered together fairly easily.

The bank will have a general manager who, it is stated, is an able man with extensive experience in banking in this country, and who is prepared to take up the work once the necessary capital is obtained. His name will be announced before long.

The directors have no intention of using the bank's capital to build the six-story head office building, as reported. They are, however, negotiating with a private party to finance such a building and in this respect are following the example of some of the older banks. As soon as the negotiations are completed, a building will be begun but practically none of the bank's money will be used for the purpose.

COMPANIES CHANGING NAMES

The following companies in Alberta have changed their names: Benjamin Construction Company, Limited, to Cottage Construction Company, Limited; Baxter-Reed Ranching Company, Limited, to Baxter Ranching Company, Limited.

And this company in Ontario has changed its name: Harley-Kay Knitting Machine Company, Limited, to Harley-Kay, Limited.

The following companies with Dominion charters have changed their names: Dominion Estate and Mining Investment Company, Limited, to Dominion Estate and Mining Investment, Limited; Mount Royal Securities, Limited, to Amalgamated Investments, Limited.

And this company in Quebec has changed its name: Investment Agencies, Limited, to Credit Canada, Limited.

And this company in Saskatchewan has changed its name: McNab-Chubb Flour Mills Company, Limited, to McNab Flour Mills, Limited.

MACDONALD COMPANY'S POSITION

Dominion Bond Company Liable for Certain Amounts—Results of Year's Operations

In his annual report, words are not minced by President Ryley, of the A. MacDonald Company, Limited, regarding that corporation's dealings with the Dominion Bond Company. "The Dominion Bond Company," he says, "is still indebted to your company to the extent of \$177,601, and in addition thereto they are also liable on their indemnity agreement for the unsold balance of the preferred stock to the extent of \$333,200.

"Your directors cannot refrain from expressing the opinion that in their judgment it was decidedly wrong to deplete the resources of the company by the payment of \$75,000 cash dividends to the holders of ordinary stock during the past year, more especially during a period of general depression and at a time when your company was still indebted to the old MacDonald Company for approximately \$800,000, upon which extensions had to be arranged."

Failed as Underwriters.

In another part of the report, President Ryley says: "Considerable trouble was expressed in providing the necessary funds to liquidate all the obligations created by the purchase of the business from the former owners, due to the fact that the Dominion Bond Company failed to comply with the terms of their underwriting agreement. When the business of the old A. MacDonald Company was purchased an underwriting was accepted by the present A. MacDonald Company from the Bond Company under which the latter agreed to purchase at par \$2,350,000 of the company's capital stock and only part of this sum was paid by the Bond Company.

"Due to financial conditions and the manipulation of the company's stock the Bond Company were unable to carry out their agreement and make the payment due your company in order that they in turn might meet their notes payable to the old MacDonald Company. Arrangements were finally consummated with the old A. MacDonald Company for the full balance due them of \$600,000. Three hundred thousand of the \$600,000 was provided through the sale of 6 per cent. first mortgage notes of this company, secured by mortgages on part of the real estate and buildings of the company, and the old A. MacDonald Company accepted for the remaining \$300,000 due them this company's 6 per cent. notes and the \$300,000 first mortgage notes and the \$300,000 extension notes held by the old A. MacDonald Company is payable half-yearly, and these notes mature \$200,000 each on the first days of November, 1914, 1915, and 1916."

Profits of the Company.

The net profits of the A. MacDonald Company, Limited, for the thirteen months ended December 31st, 1913, were \$321,273, which were distributed as follows:—\$64,064 in preferred dividends, \$75,000 in common dividends, \$76,879 in interest paid the former owners in respect to the purchase of the business, leaving a surplus of \$105,331, of which \$40,165 was transferred to the credit of rest account, and a further sum of \$29,561 has since been used in payment of dividends on preferred stock for the quarter ended December 31st, 1913. The balance, \$35,604, has been written off.

NEW BOND HOUSE

A new bond and investment firm, Messrs. J. W. Muir and Company, has been organized in Montreal. Mr. J. W. Muir has been associated with Messrs. Johnston, McConnell and Allison of that city for several years. The offices of the new company are in the Bank of Ottawa Building, Montreal.

The Great-West Life Assurance Company reports good business for the first quarter of 1914. Applications received are approximately 15 per cent. greater than for the first three months of 1913.