

## OFFICE FOR RENT

On first floor of Home Bank Building, King St. W., Toronto, well lighted, steam heat, in immediate possession.  
**H. H. WILLIAMS & CO.,**  
Realty Brokers

## PROB—Moderate

# ABSORPTION OF SOVEREIGN BANK

## WILL GO INTO LIQUIDATION WITHOUT DELAY

### OTHER BANKS TAKE OVER OFFICES

Unexpected Announcement Made Last Night of Agreement by Which Financial Institution is Merged With Eleven Others.

ASSETS ARE SUFFICIENT TO MEET LIABILITIES.

## THE SOVEREIGN BANK OF CANADA

Capital All Paid Up - \$3,000,000

E. JARVIS, President.  
F. G. JENNETT, Gen. Manager.  
R. CASSELLS, Asst. Gen. Manager.

A General Banking Business is conducted at every branch of the Bank.

New York Agents—**J. F. MORGAN & CO.**  
London, Eng. Agents—**J. S. MORGAN & CO.**  
Berlin Agents—**DRESDNER BANK.**

The Sovereign Bank of Canada is no more. This morning its various offices will be open as usual, and doing business as usual, but under the ownership and control, in fact, as the branch offices, of a number of other banks which have taken over its affairs and assumed all its liabilities.

There is no cause for excitement or alarm. The absorption, for such it is, is due to the exceptional strain of the past few months, and for reasons resulting therefrom which are set forth by the manager, Aemilius Jarvis, in another column.

The assets are declared by other bankers to be sufficient to meet all the liabilities.

Mr. Jarvis, discussing the matter last night, said that the liquidation was not likely to cause any difficulty in commercial circles. The bank's business customers were not numerous, and the various accounts, he thought, would readily be taken over by the other institutions, among which the Sovereign's clientele would be distributed.

The Sovereign Bank will liquidate as follows:

\$11,000,000 deposits will be taken up by other banks.

\$3,750,000 call loans on stock will have to be paid or taken up by other banks.

\$11,120,124 commercial loans will have to be paid or taken over by other banks.

\$2,000,000 bonds and stocks will have to be sold.

\$600,000 real estate and bank premises will have to be sold.

\$3,000,000 in capital will share in proportion to the amount realized from assets over liabilities.

Was Reorganized Year Ago.

The second Canadian bank merger within a period of two years has thus developed with the announcement that the Sovereign has had finally to liquidate, and become absorbed in the other institutions. With the re-organization of this institution nearly a year ago, when drastic measures were adopted in writing down the assets of the bank, it was thought that the institution would survive the ordeal and ultimately take its place among the substantial Canadian financial concerns.

Altho the sister banks lent assistance to the Sovereign Bank at the time of its first difficulties, and able and responsible banking men were put in charge of the affairs of the bank, public confidence was so shattered that it was found impossible to retain the deposits. This necessitated a reconstruction of the loans, such an extent that it was ultimately decided that to prevent further friction it would be in the interest of both depositors and shareholders to have the bank liquidated.

President Jarvis, after returning from England a few weeks ago, came to the conclusion that it was impossible to continue the bank for any longer period on a profitable basis. With a definiteness which he showed last spring when the reorganization in the finances of the bank was brought about, he immediately faced the difficulty and started a plan of liquidation which would cause the least disturbance to financial matters in general.

Will Just Drop Out.

Acting in unity with the members of the Canadian Bankers' Association, a scheme was evolved by which the Sovereign Bank will disappear from the list of Canadian banks, the various undertakings of the institution being absorbed in the larger and stronger concerns.

By the method evolved there is not the least necessity for concern to depositors, as the transition from the defunct bank to another will be automatic.

The various branches of the Sovereign have been apportioned to the Bank of Montreal, Bank of Commerce and others which have entered into the arrangement, and to-day the old Sovereign branches will open up in full charge of the banks which have taken them over.

The solution of this new financial difficulty is another tribute to the solidity of the Canadian banking system. Without the intervention of the Canadian Bankers' Association, considerable trouble, if not losses, might have been sustained by those inter-

## SOVEREIGN BANK STATEMENT.

For some time past there has been a constant strain upon the bank's resources, caused chiefly by the unnatural conditions which have obtained during the last three or four months, which have created a still greater drain upon the deposits, and made it correspondingly difficult to liquidate the loans. These conditions, which in many ways have been far more stringent than have been experienced in the memory of this generation, could not possibly have been foreseen, and they were rapidly bringing about a state of affairs, under which, the business, if continued, would not have been sufficiently profitable.

When this conclusion was reached, and at once conferred with the leading bankers of the country and asked them to verify our statements. These bankers have expressed their opinion that the assets of the Sovereign Bank of Canada are sufficient to pay all liabilities, and an agreement has been made with a number of banks, by which all of the branches of the bank will open this morning as branches of other banks.

This arrangement will entail no loss of any kind to the bank's depositors or customers. They can withdraw their deposits if they please, or they can allow them to remain with the bank to which they have been transferred. The Sovereign Bank of Canada pass-books can be surrendered and the pass-books of the new banks obtained. Borrowing customers will, of course, have to make other banking arrangements as soon as possible.

Aemilius Jarvis, President.

## BANKS ASSOCIATE AND PREVENT ANY LOSS

### 100 BRANCHES TO BE TAKEN OVER

Will Assume All Obligations of the Sovereign Bank and Take Over its Business.

Will Be Divided Among 11 Other Banks—Dominion Takes Over One Office.

A meeting of the executive council of the Bankers' Association was held last night at the Toronto Club. There were present Duncan Coulson, general manager of the Bank of Toronto; D. R. Wilkie, general manager of the Imperial Bank; B. E. Walker, president and general manager of the Bank of Commerce; W. D. Ross, general manager of the Metropolitan Bank; C. A. Bogert, general manager of the Dominion Bank; H. C. McLeod, general manager of the Bank of Nova Scotia; G. F. Schofield, general manager of the Standard Bank, and General Manager Burn of the Bank of Montreal.

The branches are:

Amherstburg, Arkona, Aymer, Baden, Beaverton, Besse Plain, Belton, Berlin, Brampton, Brechin, Broome (sub to Waterloo, Que.), Brucefield, Burk's Falls.

Chatham, Claremont, Clinton, Crediton, Durham, Que., Durham, Ont.

Essex, Exeter, Freilighsburg, Que. Galt, Goderich.

Haliburton, Hamilton, Harrietsville, Harrow, Havelock, Hensall, Huntsville, Iderton.

Lambeth, Linwood, London, London East.

Markham, Marmora, Millbank, Milverton, Monkton, Montreal, Que., Montreal West End, Mount Albert, Mount Forest.

New Dundee, New Liskeard, Newmarket, Niagara-on-the-Lake, North Bay.

Ottawa, Ottawa Market, Owen Sound, Pefferlaw, Penetanguishen, Perth, Rockland.

Sandwich, South River, Sprucedale, St. Catharines, St. David, St. Jacobs, Stanbridge East, Que., Stanstead, Que., Stirling, Stouffville, Sutton, Que.

Teeswater, Theford, Thessalon, Thorndale, Tilbury, Toronto, Toronto Market, Tweed.

Unionville, Walton, Waterloo, Que., Windsor, Wyoming, Zurich.

The Brampton branch is being taken over by the Dominion Bank in a separate arrangement. The head office of the Sovereign Bank is at 28 West King-street.

This will be taken over by the Bank of Commerce.

"TIMES" NOT SOLD.

LONDON, Jan. 18.—Apparently a hitch has occurred in the reorganization of the Times, which on Jan. 6, it was announced, had passed from the control of the Walter family to a new company with C. Arthur Pearson as managing director.

A paragraph appears in the Times this morning that no sale has been effected and that the previous statement only referred to the negotiations that were in progress.

Called to TOKIO.

VANCOUVER, B.C., Jan. 17.—Kiwaga, secretary of the Japanese consulate at Vancouver, has been summoned to Tokyo to confer with the foreign office officials regarding the immigration question. He will leave early next month.

Would Be Mayor of Montreal.

MONTREAL, Jan. 17.—(Special.)—Hon. Philip Roy, speaker of the legislative assembly, announced tonight that he was a candidate for the mayoralty in opposition to Ald. Payette.

Wholesale apple-dealers in Ontario find that the financial stringency in the United States has affected their business to a marked degree.

One wholesaler sold 40,000 barrels to an American firm, but after having shipped four car-loads he was asked to cancel the contract. Another sold 50,000 barrels, and has been allowed to deliver only five car-loads.

The Americans have reneged on their contracts, and the wholesalers have their apples on their hands.

Not only this, but also the English market has been against the Canadian exporter. One Toronto dealer finds that he has got only five barrels out of a shipment he made some months ago. This will hardly cover the cost of freight.

One man who knows predicts that apples will be \$2 a barrel in Toronto within ten days.

Continued on Page 7.

## OFFERING HIM A "LIFT."



MR. S. HURON: Thanks, but I'm not goin' your way.

## HALF A MILLION WAS COST OF NEW MINT

Fence Was an Expensive Luxury and the Country Pays Sum of \$50,000 For it.

OTTAWA, Jan. 17.—(Special.)—William Pugsley, minister of public works, was this afternoon called upon to explain the expenditures on the royal mint, which will cost over half a million, including \$43,000 for a fence and a house for the guard. Twenty-nine thousand dollars was the cost of the fence alone.

The house went into supply, taking up the estimates of the public works department. Mr. Reid (Grenville) appeared in the role of chief inquirer.

Mr. Pugsley said there had been expended on the royal mint up to Nov. 30, 1907, \$402,000. An additional \$100,000 would be required to complete the building, and it was estimated that the total cost, including machinery, would be \$502,000.

The admission that the minister intended to ask the house for an additional \$300,000 after the \$25,000 placed on the estimates had been voted, was deception, in the view of the opposition.

Mr. Fielding said he had "held down" the ministers, and the final estimates not being prepared, the total vote was laid over for the supplementary estimates.

Luxury Cost \$100,000.

Mr. Bristol (Centre Toronto) said it would cost Canada \$100,000 a year for the luxury of coining our own money, but Mr. Fielding pointed out that the resolution to establish a mint received the unanimous consent of the house. The mint was the best equipped in the world.

Mr. Bristol observed that the original estimates were only half of the actual cost. Mr. Pugsley replied that the estimate for building and fence was \$350,000, and the contract price \$283,000 for building and \$43,000 for fence and guard house. The site cost \$21,000.

The cost of the fence came in for considerable criticism. Bennett of Simcoe ascertained that \$25 for each lineal foot of fence was the cost to the people of the country, there being 200 feet of this substantial affair.

The retirement of Deputy Minister Gobeil, at the age of 54, and in good health, would cost the country \$2000 a year. What were the reasons for the superannuation of the deputy minister?

Political exigencies, which had to be met. There were also many applications for a few seatships. The member for Brockville had a seat to sell and he got an appointment to the senate in return for allowing the new minister of railways into the house.

Chairman Marcell regarded this remark as "wanting in respect to a member of the other house," but Bennett went on that other applicant were Dr. Stobin, who exhibited a letter from Sir Wilfrid, written in 1902, promising him a senatorship, John Charlton and Mr. Calvert. The finance minister and other government members considered that Mr. Bennett was drifting away from the question—of the

## No Cause For Alarm

Toronto is again called on to exercise calmness and self-control in the presence of another banking difficulty, under circumstances making it both sudden and surprising to the general public. The Sovereign Bank of Canada not long ago attracted attention by undergoing a process of reconstruction, voluntarily undertaken, involving a considerable reduction in its capital and important changes in its management. These drastic measures, it was fully expected, would enable the institution to recover its lost ground, but apparently the period of financial stringency through which the continent is passing has rendered rehabilitation impossible of accomplishment. Hence the announcement that its affairs have passed into the control of the Bankers' Association, who will undertake its conduct, pending final settlement of its affairs.

As in the case of the Ontario Bank, still fresh in the public memory, the imperative duty of every citizen, whether immediately interested in the outcome or not, is to refrain from any action calculated to create distrust or to increase any tendency towards panic that may be exhibited. Noteholders are, of course, free of all concern, and the interests of depositors, creditors and shareholders will be fully safeguarded by the association. Business will continue as usual, and undue nervousness or anxiety cannot serve any personal or public purpose. The position of the Sovereign Bank is not due in any sense to general weakness in the commercial or industrial standing of the city, but wholly to particular and isolated causes connected with its previous business management. And the city will be judged to-day, not by the fact that this particular bank has been compelled to call for the assistance of the association, but by its own behavior when set face to face with an unexpected crisis.

Toronto owes it to herself to act at this juncture as becomes the centre of the leading province of the Dominion. Involvements such as those of the Ontario and Sovereign Banks, are tests of the character and quality of a community, and when met with firm temper and sober courage, strengthen rather than weaken its reputation. Fortunately, Canada's excellent banking system lends itself easily to the support of the stable elements in commercial and business circles. By promptly stepping into the breach and assuming the burden of the immediate situation, the banks of the country perform a public service of inestimable value, and they do so in order that the first pressure may be relieved and onward consequences averted or minimized. Their action deserves the very best response that the public can give—confident reliance in the ability and integrity of the professional gentlemen who have undertaken the responsible task of winding up the affairs of the Sovereign Bank with the least possible shock to the credit of the City of Toronto.

## APPOINTMENTS ANNOY.

### And Friction in Hospital Affairs is Showing Itself.

Trouble over the General Hospital appointments is about due. It has been simmering for some time. It was said in university circles yesterday that McMaster University proposes to get a medical faculty of its own, as it can under its charter. Trinity is offended, as are also those practitioners affiliated with St. Michael's College. Altogether a storm in the medical profession in Toronto has been created by the General Hospital appointments.

Dr. Reid said he was informed that machinery bought for the mint at a cost of \$25,000 could have been bought for \$25,000.

Dr. Barr asserted that a large amount of the money paid in excess of the estimates had probably gone into the pockets of middlemen, and some of it would find its way back to the election fund.

Mr. Fielding intimated that the end was not yet. The imperial authorities had suggested a residence for the deputy master (cost \$20,000), and a metal refinery.

The item then passed, and the house proceeded to discuss an item for an extension of the east wing of the parliament buildings. The work, Mr. Pugsley said, would cost over \$300,000.

## TO PROBE ALL.

NEW YORK, Jan. 17.—Every electric lighting and power company in New York City will be subjected to an investigation by the public service commission. A resolution to this effect was passed by the commission to-day.

## HIGHWAYMAN TO PRISON FOR LIFE

Chambers was Given an Unusual Sentence Yesterday—Companion Dealt With leniently.



## CHAMBERS Sentenced to Life Imprisonment for Highway Robbery.

Chancellor Boyd practically accomplished legislation from the bench yesterday when he condemned George Chambers, self-confessed highwayman, to a life sentence in Kingston Penitentiary.

The sentences of Chambers and his companion, Charles Morgan, were perhaps the most unusual ever delivered in Toronto. Those who were present in court after the noon adjournment witnessed the strange spectacle of a man signing away his liberty to evade imprisonment and of a judge striking a bargain with the prisoner at the bar.

"I am going to deal very differently with you two men," he said. "Morgan, I am going to give you a chance. Will you agree to deliver yourself into the hands of the Salvation Army to work on a farm? You must report every six months to inspector Archibald. Do you agree?"

"Yes," said Morgan, puzzled. "Can you write?"

"Then sign that agreement which the captain has there."

"Yes, Morgan," said the judge, and Chambers signed. "Morgan, if you act in accordance with the wishes of the army, I will suspend your sentence."

"And now, Chambers," said the judge, "I sentence you to be confined in Kingston Penitentiary for five years and to 25 lashes—"

"Here Mr. Blackstock, crown prosecutor, broke in: "You mean Morgan, my lord, not Chambers?"

"Yes, Morgan," said the judge, and Chambers signed. "Morgan, if you act in accordance with the wishes of the army, I will suspend your sentence."

"And now, Chambers," said the judge, "I sentence you to be confined in Kingston Penitentiary for five years and to 25 lashes—"

"The man bit his lips and stared out at the judge."

"If you arrive at a point where it will be safe for yourself and for the public to release you, the government will be informed and your sentence will be suspended."

"This morning he goes to Kingston under guard of Constable Stewart and Deputy Sheriff Jarvis."

He is the second man to receive life sentence in the city for a crime short of manslaughter. The other was sentenced by Col. Denison many years ago. He was John Graham, convicted of throwing vitriol.

On Saturday last at Detroit Judge Phelan imposed a life sentence on a young negro for participating in a hold-up robbery near two young women and for firing a shot at a man who came to the rescue. The prisoner swore a companion had done the shooting.

## SERIOUS RUNAWAY.

Thistletown Milkman Dragged Two Blocks on Queen-Street.

Charles Lind of Thistletown, Ont., a driver of a milk wagon for Ernest Ellis of Emery, Ont., had a marvelous escape from death in a runaway which started on Robinson-street yesterday noon. The horses shied and then dashed madly down Clarence-street. At Queen-street the sleigh upset. Lind was thrown out but his hand had caught in the reins and he was dragged two blocks.

P.C. John Dearing seized the horses by their heads at great personal risk. Lind was found to be unconscious. All the hair had been rubbed off one side of his fur coat and cap. He was revived and was able to proceed on his way.

## COMPANY, LIMITED

Friday, Jan. 17.

## ng ry Re row

prices because the year round the winter and

when—prices Stocktaking

\$22.50

lots in our best

is the very best

American models

\$12.95

styles, including

serges, assorted

dark mixtures,

sizes from 2 1-2

out of our regular

\$4.00, \$4.50,

while they last.

\$3.49

wear

cast-off leath-

to 75c; we have

Saturday... 19c

ars

\$2.50

tra choice muskrat

lotter collars, best

shell, custom-made,

\$55.00

Dr. White

SOIALISTS

ING DISEASES OF MEN

epy Dyspepsia

ility Rheumatism

ature Lost Vitality

ensions Skin Diseases

eweele Kidney Affections

stable, but if impossible

and two-cent stamp for

Adelaide and Toronto

to 1 p.m., 2 p.m.

9 a.m. to 1 p.m.

PER and WHITE

St. Toronto, Ontario.

ss Eyes

but the best

yes kept by us

and Reform.

right.

uke Optician

Marriage Licenses

St. West, Toronto