

securities. This is no time to force a sale of defaulting securities. We examined the original reports of the Appraisers: we examined the recent reports of Inspectors and others, who have been sent to examine the properties, and we have ruthlessly cut down everything in excess of what we consider the value of these properties. From the time they have been in default there has not been one cent of interest charged against these defaulting mortgages.

These properties, although they are in default, are, most of them, yielding more or less income. Some of them are paying very well. Some of those which have been written down have been disposed of at a larger amount than we held them at in our books, and a portion of the purchase money paid upon them. The result to me, and I believe to the rest of the directors, has been most satisfactory. The income arising from these defaulting securities—where we have been compelled to take possession—after payment of taxes and for looking after them, nursing them as I call it, has been a very fair rate of interest. I think it is somewhere approaching five per cent. on the average.

The policy of this Company has always been a merciful one. The Company likes to deal indulgently with those who are in default, and borrowers like to come back to us again.

I have much pleasure in seconding the resolution.

Mr. G. W. Monk also spoke in support of the resolution, as follows:—

Mr. President,—As one of the latest additions to the Board, I may be excused for making a few remarks at this stage of the proceedings. I have only been a few months on the Board, but I do not think it can be said that I am new to the Company's business. More than 25 years ago you did me the honor of appointing me an appraiser in the County of Carleton, near Ottawa. I occupied that position for several years, and I did a considerable and profitable business for the company there, and was shortly afterwards promoted to the position of inspector. I acted in that capacity for about twenty years, and during that long time it was my duty to travel over this Province from Toronto east, thoroughly examining the properties held by this Company as security for money lent, assisting in selling such properties as came on hand, and generally attending to the outside business of the company. During that long term of twenty years I went over more properties held as security for this company than, I think, any other one man has done, and I am satisfied from my own personal knowledge that the securities held for the money lent by this company are undoubted. Although depressions take place in certain localities, from circumstances which cannot be controlled or foreseen, yet I hold the security is as safe as it can possibly be by man's ingenuity be made, for money invested in this country.

In the eastern part of the Province some years ago there was a depression equal to that which prevails in Toronto to-day. Property was absolutely unsaleable. I have myself offered as many as 29 properties for sale on one occasion, and not a bid was received for one of them. Such a state of things as that is very unusual, but it may take place in Toronto to-day. These properties have all

been sold or redeemed, and that with very little loss. We did not rush off properties at a loss. We kept them, took care of them, had them well rented, and in due time a demand for them arose. In many instances the tenants purchased them. Our loss scarcely amounted to anything appreciable. It was so trifling that the attention of the stockholders was never drawn to it, so far as I am aware. The same thing will take place here, I have no doubt. As time goes on people, by living economically and husbanding their resources, will be able to purchase homes and farms for themselves. What properties we hold, as Mr. Cawthra has said, are not dead stock. They are bearing interest, or rather rental, which is equivalent in some cases to the interest we should receive if we had the money to invest as a loan, instead of the property under rental.

With the large experience I have had, therefore, I have not the slightest hesitation in assuring you, that, as far as my knowledge goes, nothing could be more satisfactory than the state the Company's business is in to-day.

The motion was unanimously carried.

It was moved by Mr. C. S. Gzowski, Jr., seconded by Mr. Alfred Myers,

“That the thanks of this meeting be given to the President, Vice-President and Directors for their careful and successful supervision of the Company's business during the past year, and that the compensation now voted to them be the same as in the preceding years.” Carried.

It was moved by Mr. W. G. Gooderham, seconded by Mr. S. Nordheimer,

“That the Shareholders desire to express their thanks to the Managers and Staff of the Office, to the Solicitors and Appraisers, and to the Agents of the Company in Manitoba, British Columbia and Great Britain, for their zealous and efficient services in the management of the affairs of the Company during the past year.” Carried.

It was moved by Mr. A. Nordheimer, seconded by Mr. William Spry,

“That the thanks of this meeting be presented to the Auditors for the past year, and that they be paid as follows:—Auditors of Head Office accounts \$400 each, Auditor of Manitoba Branch accounts \$150, Auditor of British Columbia Branch accounts \$100; and that Messrs. J. E. Berkeley Smith and Henry Barber be appointed to audit the accounts of the Company at Head Office, Mr. William Nichols to audit the accounts of the Company at the Manitoba Office, and Mr. W. F. Salebury to audit the accounts of the Company at the British Columbia Office for the current year.” Carried.

The election of Directors was then held, and resulted in the unanimous re-election of Messrs. Edward Hooper, W. G. Gooderham, W. D. Matthews and G. W. Monk.

At a subsequent meeting of the Board, Messrs. J. Herbert Mason and Edward Hooper were respectively re-elected to the office of President and Vice-President.