

PROSPECTUS OF AUTOMATIC TELEPHONE AND ELECTRIC CO. OF CANADA (LIMITED)

Incorporated by special Act by the Parliament of the Dominion of Canada, March, 1893, and assented to on the first day of April 1893, to transact a general Telephone and Electrical supply, manufacturing and operating business throughout the Dominion of Canada.

Authorized Capital \$250,000, with power to increase to \$500,000. Offered for Subscription \$250,000.
(Of this amount \$60,000 has been subscribed by the present owners of the patent.)

Reserved for future requirements, \$250,000

Among those who now control the patents and who have subscribed for stock, and who will probably be associated with the direction of the Company, are the following:—

JAMES P. DAWES, Director Merchants Bank, and Director Montreal Gas Company, Montreal, P. Q.
JOHN TORRANCE, General Manager Dominion Steamship Company, Montreal, P. Q.
W. M. MACPHERSON, Director Molsons Bank, Quebec, P. Q.
W. E. PATON, Paton Manufacturing Company, Sherbrooke, P. Q.
A. G. LOMAS (of Adam Lomas & Son, Manufacturers), Sherbrooke, P. Q.
R. WILSON SMITH, Investment Broker and Proprietor of *Finance and Insurance Chronicle*, Montreal, P. Q.
F. HULLER, Physician, Montreal, P. Q.
PETER MACKENZIE, Hudson's Bay Company, Montreal, P. Q.

SOLICITORS:

ATWATER & MACKIE, Montreal, P. Q.
McCARTHY, OSLER, HOSKIN & CREELMAN, Toronto, Ont.

HELLMUTH, IVEY & THOMAS, London, Ont.
A. FERGUSON, Ottawa, Ont.

BANKERS:

THE CANADIAN BANK OF COMMERCE.

This Company now proposes to carry on a Telephone Business on the Automatic Principle, and to that end proposes to purchase the patents of the Strowger System of Automatic Telephony. The present owners already have orders for the equipment of several Canadian towns with their Automatic System.

The present owners of the patents have subscribed for sixty thousand dollars of the stock at par, paying cash therefor.

The success of the system has been practically demonstrated by actual operation, and must necessarily supplant the present cumbersome system.

It is also exclusively used in LaPorte, Ind., a town of ten thousand inhabitants, where it has replaced the original system, and it has been adopted by the United States Government and installed for it at Fort Sheridan.

It has been purchased by and is in successful operation in the "Free Press" building, at London, Ont., and was purchased at a far higher price than that at which the present existing system was offered, and in direct competition as far as the merits of the two systems were concerned.

The Strowger system possesses the following features:—

It costs less than any other system to install.

It requires no central operator.

Every subscriber makes his own connections.

No delay or reply from careless and indifferent operators of "line busy."

Every subscriber has a private as well as a public line without extra cost.

THE VILLAGE requiring ten Telephones can have as perfect a service as the CITY requiring ten thousand.

The service being automatic is ready NIGHT and DAY.

The fact that OTHER SYSTEMS require operators PREVENTS many SMALL TOWNS from having a TELEPHONE SERVICE, as they need but a few telephones and cannot afford operators.

Other towns employ a day operator, but have no NIGHT SERVICE, which this system gives.

The Company desires to equip exchanges in every CITY and TOWN throughout Canada as rapidly as possible, and now offers Two HUNDRED and FIFTY THOUSAND DOLLARS (\$250,000) of its Capital Stock at par (of which sixty thousand dollars has been subscribed by the present owners). Terms of subscription:—

10 PER CENT. ON SUBSCRIPTION. 15 PER CENT. ON ALLOTMENT.

Remainder as may be required by the Board of Directors, but calls not oftener than thirty days apart, nor for more than 10 per cent. at one call.

The right is reserved to reject any or all subscriptions, and to allot a pro rata amount in case of over subscription.

POSSESSING A PERFECT SYSTEM, REQUIRING NO OPERATORS,

the Company by its saving in operation alone can pay large dividends, and in the end it is always "The survival of the fittest."

That Telephone Stocks are among the most profitable of all investments the following quotations of present prices and dividends show:

Bell Telephone Co., United States, price \$190 per share. Dividends, 8 p. c.

Bell Telephone Co., Canada, price \$150 per share. Dividends, 8 p. c.

The price to be paid for the exclusive right of using and of manufacturing under these patents for the Dominion of Canada, is \$90,000. The patents are valid for fifteen years from 1891.

Subscriptions will be received at the Canadian Bank of Commerce, Toronto, and its branches in Montreal, London and Hamilton, where full prospectuses can be obtained.

Subscription Books will be opened at the Canadian Bank of Commerce in the said cities, on Monday, April 24th, and close Saturday, April 29th.

The system can be seen in operation at the Temple Building, Montreal, the Bank of Commerce Building, Toronto, and the "Free Press" Building, London, Ont.

It is proposed as soon as the Directors may deem it advisable to list the stock of the Company on both the Montreal and Toronto Exchanges.