

all classes of fine dyed yard goods, such as dress gingham, oxfords, dress goods and flannelettes. The Cornwall and York mills manufacture denims, bedings, flannelettes and yarns.

The Mount Royal Spinning Company.

	Authorized.	Issued.
Bonds, 6 per cent.	\$750,000	\$.....
Preferred stock, 7 per cent.	1,500,000	1,500,000
Common stock	1,500,000	1,410,000

The bonds of the concern have not been issued to the public, and have simply been used for purposes of financing. It is just about a year since the concern started business, and it has only been in full operation for the past six months. No dividends have yet been paid on its stock, but it has been doing a most profitable business in the manufacture and sale of prints and grey and bleached cottons.

These mills are located at Marysville, N.B. Their cost was in the vicinity of \$1,250,000, but they were purchased some time ago by Mr. David Morrice for somewhere around \$700,000. Their earnings have been upwards of 10 per cent. of the latter figure. Their output consists of flannelettes, gingham and shirtings.

"Canadian Cottons, Limited."

Although the deal under discussion is a purchase, by the Canadian Colored Cotton Mills, of the properties mentioned, it is expected that an alteration will be made in the name of the company, by which it will be called the "Canadian Cottons, Limited." The capitalization of this concern would be different to that of the Canadian Colored Cotton Mills, the present securities being replaced by those to be issued.

It is proposed that the Canadian Cottons, Limited, shall have the authority to issue \$5,000,000 five per cent., thirty-year bonds, and \$8,000,000 stock. The company will divide the latter into common and six per cent. preference stock, according to requirements. When the deal has been consummated and the new bonds and stock issued according to the terms of the deal, the securities will be as follows:—

	Authorized.	Issued.
Bonds, 5 per cent.	\$5,000,000	\$3,800,000
Preferred stock	8,000,000	3,575,000
Common stock		2,700,000

Terms of the Deal.

David Morrice will accept \$700,000 of the new bonds for the Gibson Mill, thus transferring his ownership at cost price.

The Mount Royal Spinning Company will receive \$1,100,000 of the new bonds, \$550,000 of the preferred stock, and \$700,000 of the new common stock.

The holders of the \$2,000,000 bonds of the Canadian Colored Mills Company, which bonds expire in two years, may exchange them for the bonds of the Canadian Cottons, Limited, bond for bond. Otherwise, they may sell them, and the Canadian Cottons may sell theirs, in all events making the new issue of this account \$2,000,000. Add to this the \$700,000 bonds given for the Gibson Mill, and the \$1,100,000 given the Mount Royal, and the total issue of \$3,800,000 is found.

May Exchange Common Stock.

The shareholders of the Canadian Colored Cotton will have the right to exchange their common stock for the non-cumulative, preferred, 6 per cent. stock of the Canadian Cottons, Limited, at the ratio of four old for three new. Hence 20,250 new shares (\$2,025,000) would go out to cancel the 27,000 old

shares. In addition to this, the shareholders of the Colored Cotton Company will have the right, pro rata of their old holdings, to purchase \$1,000,000 of the new preferred stock, at par, each of such preferred shares carrying with it a bonus of two shares of new common. Therefore, the present \$2,700,000 old common stock, plus \$1,000,000 cash, would receive \$3,025,000 preference and \$2,000,000 new common.

Add to the amounts just mentioned the \$550,000 preferred and \$700,000 common given to the Mount Royal shareholders, and the total issue of \$3,575,000 preference and \$2,700,000 common is accounted for.

The number of directors of the National Cobalt Silver Mining Company, Limited, has been decreased from nine to five.

At the recent meeting of the directors of the London & Lake Erie Railway & Transportation Co., held at London, Ont., Mr. Murray A. Vernon of Brantford and Pittsburg was elected president of the company; Mr. W. S. Linnick of Toronto, vice-president. The board of directors are: Messrs. S. C. Smoke, W. K. George, Geo. B. Woods, Toronto; T. H. Purdom, K.C., and John Milne, London.

CAREFUL INVESTMENT

It is always advisable to look for some expert advice before choosing an investment.

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President, Dr. G. A. McKay; Secretary-Treasurer, Willard W. Dunlop, and Chairman of Section, George Weaver.