tached have been paid, this debenture shall be surrendered to the Town of Hickville" makes the matter perfectly plain both to the borrower and the lender.

The reason for the latter suggestion is that very often municipal bonds are to be found in the hands of persons who do not thoroughly understand debentures, and who have been under the impression that the coupons they were cashing represented interest only. This has more than once been found to be the case where the original purchaser has disposed of his holdings to another person.

A further suggestion is that a line to the effect that any sale of this debenture must be registered in the Debenture Register of the Town of Hickville, should be included in the bond itself.

All preliminaries to the issue of bonds will have had to be performed correctly before they can be registered; this we assume to have been done, so that we can now proceed to registration.

For the sake of simplicity we will take the following examples:

1. $1000.00 Instalment bonds 10 years 5%.

2. $1000.00 Annuity bonds, 10 years 5%, one bond maturing annually.

3. $1000.00 Annuity bonds, 10 years 5%, with coupons covering principal and interest.

In example 1, there will be 10 debentures of $100, numbered 1 to 10. Bond No. 1 will have a coupon numbered 1 for $5 attached, and will mature in one year. Bond No. 2 will have two coupons numbered 1 and 2 each for $5 attached, and will mature in two years. At the end of the first year coupon No. 1 will have been surrendered, and so on through the ten bonds. Therefore, the transactions for each year will be as follows:

Year	Principal	Interest	No. of Bond Maturing	Numbers of Coupons Maturing	Date of Re-demtpion	Principal Unpaid
1922	100.00	50.00	1	10 No. 1	Jan. 2	900.00
1923	100.00	45.00	2	9 No. 2	"	800.00
1924	100.00	40.00	3	8 No. 3	"	700.00