

In regard to the above schedule the following comments are offered,-

- A - The introduction into the account of short term securities is proposed as a result of consultations with New York investment interests. Such action is designed to protect the account in the event of inflation or other developments which might occur. The amount proposed may seem large, but it would seem wise at this time to have more than under normal conditions.
- B and C - The proposal to increase the percentage of Government bonds and decrease that of Canadian Corporation bonds is in line with the policy of concentrating our holdings of the latter class into a comparatively few very high grade liquid securities.
- D - Our American Corporation bonds are few in number and heavily depreciated in value. It is thought that at present prices we can, with advantage, increase our percentage in this category.
- E - Foreign Government and Foreign Public Utility bonds are not attractive at present levels and since our holdings are small they might as well be sold.
- F - At the present time high grade Preferred Stocks offer remarkable opportunities for capital appreciation, combined with a good degree of safety.
- G - While our Common Stocks have not had a too encouraging experience in the past it is felt that the next five years will justify our holding them. It is essential, however, that we switch from those issues which hold little hope of early recovery to those which are of a nature to benefit greatly from any expansion of general business.