

CORPORATION SECURITIES MARKET

**Grand Trunk May Float Twelve Million Loan in New York
—Ames-Holden Rubber Bond Offering—Fire Company
Will Issue Preferred Stock**

ACTIONS of leading bond issues during the week ended May 26th on the Canadian exchanges were not of a notable character, trading being light, and most issues holding steady. Quebec Railway was weaker.

Announcement is made in New York that the Grand Trunk Railway of Canada five-year notes for \$12,500,000 fall due July 1st next. It is understood the company is negotiating with New York bankers for a loan with which to refund this issue.

The Ames-Holden Rubber Boot Co., Ltd., is offering \$1,000,000 7 per cent. 20-year first mortgage sinking fund gold bonds at par and interest, carrying a bonus of 25 per cent. common stock. The bonds are in denominations of \$100, \$500 and \$1,000, are payable in gold at the Bank of Nova Scotia, Montreal, Toronto and New York, and are redeemable as a whole or in part July 1st, 1922, or any interest date thereafter on three months' notice at 105 and accrued interest. Being a subsidiary of the Ames-Holden-McCready, Ltd., the bonds of the company are guaranteed by the parent concern.

A special general meeting of shareholders of the Ames-Holden Tire Co., Ltd., has been called for June 7th at noon at the company's head office in Montreal. The meeting will be asked to consider a by-law passed by the directors at a recent meeting, providing for the creation and issue of \$800,000 of 8 per cent. cumulative preferred stock, and to consider an agreement between the company and T. H. Rieder, providing for the placing of the preferred shares and the issue of 2,000 common shares as fully paid in remuneration for services rendered and to be rendered in connection therewith. The preferred shares are now being offered by T. H. Rieder at par with bonus of 25 per cent. common stock.

Directors of the Bank of Hamilton have decided to issue \$1,000,000 new capital stock, which, when taken up, will bring the total up to \$5,000,000.

The new shares will be allotted at \$150 per share to the shareholders in proportion of one new share for every four shares held. The present rate of dividend, which is \$12 per share, will make the new stock yield 8 per cent. per annum.

Financing of Riordon Merger

In connection with the Riordon-Kipawa merger, which is announced on another page of this issue, the directors, in planning the financing of the new concern, provide for the assumption by the new company of all the liabilities of the old in each instance. The new company, namely, the Riordon Corporation, Ltd., will issue and deliver to the Riordon Pulp and Paper Co. the following securities: \$1,500,000 of 8 per cent. cumulative preference stock, \$9,000,000 of 7 per cent. cumulative preference stock, carrying full voting rights and convertible into common stock, \$12,000,000 of common stock, and such additional amount of common stock as may be approved of by the directors to be used for the benefit of the new company.

Mr. C. Riordon, the president of the Riordon Pulp and Paper Co., in his letter to shareholders explaining the proposed transaction, says:—

"The basis of sale, you will note, is the issue of 8 per cent. cumulative preference stock of the new company to the amount of the outstanding 7 per cent. preference stock of your company, and the issue of 1½ shares of 7 per cent. cumulative convertible preference stock of the new company and two shares of common stock of the new company for every share of common stock of your company now outstanding.

"The securities to be so received will be retained by your company, which will continue doing business, its operations being practically restricted to those of a holding company. The dividends to be received on the securities so held will be amply sufficient to provide for the maintenance of present dividends on the outstanding preference and common stock of your company, and the present shareholders may look forward with confidence to further returns conditional upon the successful operations of the new company. The consideration to be received by your company, as above stated, includes the securities issued for its interest in Kipawa Co., Ltd., and the other holders of common stock of the last-mentioned company will receive shares of common stock of the new company in return for the surrender of their present holdings on the basis of 1½ shares of common stock of the new company for one share of common stock of Kipawa Co., Ltd. In this manner the new company would be absolutely controlled by your company, and its present policy will have an enlarged field of operation."

Respecting the exchange of stock on the part of the shareholders of the Kipawa Co., Ltd., Mr. Riordon says:—

"The plan provides for the issue and delivery to your company of \$6,000,000 par value 7 per cent. convertible preference stock and 12,000,000 par value common stock of the new company, being the consideration or purchase price of the entire properties, assets and undertaking of your company.

"Upon the completion of the sale 6,000,000 of preference stock of the new company will be delivered to the Riordon Pulp and Paper Co., Ltd., in exchange for the surrender of a like amount of preference stock of your company now held by it, and the \$12,000,000 of common stock of the new company so received will be distributed to the holders of the \$8,000,000 common stock of your company in proportion to their respective holdings on the basis of 1½ shares of common stock of the new company for every share of common stock of your company."

Dividends of the Howard Smith Paper Co. will now be at the rate of 8 per cent., according to the announcement of the directors on May 26th. The company will also issue 6,000 shares of new common stock, 5,000 of which is to be allotted to present shareholders at the rate of one share of new stock to every five held. The remaining 1,000 shares are to be kept for the company's employees who are not officers, and will add to the relatively large holdings of the company's securities among its employees. Preferred capitalization of the company at present is \$1,500,000, and the common, \$2,500,000.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison, Jr., & Co., Toronto
(Week ended May 25th, 1920.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Ara. Pac. Grain.....pref.	84	89	Continental Life.....	20	26	Lambton Golf.....	490	540	South Can. Power.....pref.	70	75
.....com.	150	180	Crown Life.....	84	.....	Lowe's (Montreal).....com.	.....	75	Sterling Bank.....	.....	109
Amer. Sales Bk.....pref.	72	75.50	Cuban Can. Sugar.....	33	38	Loew's (Ottawa).....com.	10	12.50	Sterling Coal.....com.	19.50	21
.....6's	95	99.50	pref.	72	76	pref.	.....	81	Toronto Paper.....6's	84	90
Ames-Holden Tire.....com.	39	43	Davies, William.....6's	97.50	101	Manufacturers Life.....	37	41	Toronto Power 5's (1924)	86	90
British Amer. Assurance	8.50	13	Dom. Foun. & Steel.....com.	67	70	Massey-Harris.....	98	106	Trust & Guarantee.....	74	79
Burns, P., Ist.....6's	97.50	.....	.....8% pref.	95	98.50	Mexican Nor. Power.....5's	7	9.75	United Cigar Stores pref.	1.75	.....
Can. Furniture.....com.	4	7	Dom. Iron & Steel 5's 1939	70	75.50	Mississauga Golf.....	50	58	Western Assurance.....	10	14.50
.....pref.	27	31.50	Dunlop Tire.....7% pref.	90	94	Morrow Screw.....6's	86	91.75	West. Can. Pulp.....com.	35	39
Can. Machinery.....com.	25	35	Eastern Car.....6's	89	94.50	Murr-K. 7% pref. xd 34%	65	71	Western Grocers.....pref.	.....	77
.....6's	74	80	Goodyear Tire.....7% pref.	90	96	National Life.....	40	.....	Whalen Pulp.....com.	37	39.50
Can. Marconi.....	2.50	3.40	Gordon, Irons & Fare 6's	.....	95	North-Amer. Pulp.....	5	6	.....	.....	.....
Can. Oil.....com.	50	.....	Harris Abattoir.....6's	92	98	N. S. Steel.....6% deb.	78	84	.....	.....	.....
Can. Westinghouse.....	105	112.50	Home Bank.....xd 11%	92	96	Nukol.....	.....	.65	.....	.....	.....
Can. Woollens.....com.	44	49	Imperial Oil.....	115	122	Ont. Pulp.....6's X-Talons	87.50	91.50	.....	.....	.....
.....pref.	80	85.50	Kipawa Paper.....com.	58	.....	Page Hersey.....pref.	72	.....	.....	.....	.....
Cockshutt Plow 7% pref.	52	60	King Edward Hotel.....com.	62	69	People's Loan.....	70	80	.....	.....	.....
Col'wood Shipb'dg.....6's	92	.....	.....7's	74.50	80	Robert Simpson.....6% pref.	74	79.50	.....	.....	.....