

The rate of Eight per cent. interest is allowed to be charged by the Company by an Act of the Provincial Parliament passed in the Session of 1850.

The Company's loans on mortgages of real estate will in no case exceed half the marketable value of the property, assigned as a security; and an especial provision of the Parliament of Canada in the Company's favour, requiring payment of the interest in advance, ensures the greatest punctuality in its receipt.

The Company's privileges and powers are derived from an Act of the Parliament of Canada, the provisions of which have been enlarged by subsequent Acts—they are further secured by a Royal Charter of Incorporation, granted in this country, and the Company is regulated by a deed of Settlement, approved by the Board of Trade.

THESE INSTRUMENTS STRICTLY LIMIT THE LIABILITY OF EACH SHAREHOLDER, TO THE EXTENT OF HIS SUBSCRIPTION.

To the Shareholders, at their General Meeting, is given the power of choosing directors—of declaring dividends, and of increasing the Capital to £1,500,000 by the creation of new shares. But, with these exceptions, the whole management of the Company's affairs is vested in the Board of Directors in this country; to whom is also secured, by the Royal Charter, perfect control over that part of the business which must necessarily be conducted in Canada.

DUE PROVISION IS MADE FOR A RESERVE OR GUARANTEE FUND.

The Directors are empowered to receive from Shareholders the whole or any portion of their subscriptions, which they may desire to pay in anticipation of calls; allowing them such rate of interest on the anticipated payments as may be agreed upon. To Shareholders, therefore, desiring to invest a larger sum than calls on their subscriptions will require, this provision will be found particularly eligible, as the Directors will be enabled to allow a rate of interest higher than that yielded by the public funds, or than that generally obtained on Mortgage or other Securities in this country.

The payment of £1 per share is required on executing the Deed of settlement, and a further sum of £1 per Share will be required, by calls not exceeding £2 each, at an interval of not less than three months between each call. Beyond the sum of £5 per Share, it is fully expected that it will not be necessary to make any further calls on the Shareholders.

On careful inquiry it has been ascertained that investments can be safely and readily obtained in Canada, at the rate of eight per cent. to an amount far exceeding the Capital and the authorised operations of the Company. The Shareholders will therefore receive a highly remunerative dividend on their investments in a safe and unspeculative undertaking, with the advantage of a strictly limited liability; while the sums taken on loan and deposit at the English rate, and lent at the Colonial rate, will progressively but certainly secure further profitable returns.

A Company of this description has been in successful operation in the adjoining state of New York, since the year 1830, with a capital of one million of dollars. Its capital is constantly vested in mortgages, at the rate of seven per cent. interest, and as these are paid off, other mortgages are obtained, and thus the investment of the whole capital is maintained, though with a change of securities. Since its establishment, the New York Company has paid an average annual dividend of seven per cent., and occasional dividends in the nature of a bonus, amounting to fifty per cent. on the paid-up capital, besides the accumulation of an ample Reserve or Guarantee Fund—and the stock at this time commands a premium of twenty-five per cent.

Canada presents as ample and secure a field for profitable investment as the neighbouring state, and as the Canadian Trust and Loan Company have secured the right of lending at a higher rate of interest, than that allowed in New York, it is beyond doubt that its operations will be attended by *at least* as favourable results.

The facility of communication with Canada, now so rapid and certain, secures the opportunity of writing weekly from the office in London to the office in Canada, and *vice versa*, and of obtaining a reply in a month; at the same time, that any order sent from the Directors in London would reach its destination in twelve days. This affords a complete control in London of all operations of the Company in that colony—an important consideration in regard to the security which the Shareholder and the Depositor would naturally wish to have in the investment of their funds.