

ADVANTAGES OF AMALGAMATION:

Among the advantages to be gained by this consolidation of interests the following may be cited :

- 1st. **The purchase of lumber and goods in larger quantities and on better terms**
- 2nd. **Avoidance of unnecessary competition.**
- 3rd. **Saving in cost of distribution.**
- 4th. **"Specializing" the manufacture of particular goods, which means that instead of each factory having to manufacture many different kinds of furniture, certain factories will undertake special lines.**
- 5th. **Development of export trade.**

MANAGEMENT:

The Board of Directors include the representatives of some of the principal businesses acquired and it is also intended to retain the services of most of the old managers, so that the management of the Company and the superintendence of the various factories will be in the hands of experienced manufacturers, who have been successfully identified with the furniture trade for many years.

STOCKS:

After paying for the various businesses, there will remain a sum of over \$500,000 for the purchase of the stocks-in-trade to be taken over by the Company at valuation and for working capital and the general purposes of the Company.

The price to be paid by the Company for the above-mentioned businesses has been fixed at \$1,859,972, payable as to \$263,472 in cash, \$525,000 in fully paid Preference Stock, \$1,000,000 in fully paid Common Stock, and \$71,500 in mortgages on the property. The Company will assume these mortgages and will retain in the treasury an equivalent amount of Preference Stock for the purpose of redeeming the same.

The Company will acquire the business of the Furniture Manufacturers' Exporting Company, Limited, by purchasing the whole of the shares of this Company, and thus taking over the assets and liabilities, the consideration for which is included in the above-mentioned purchase price.

The Company may, at any time before completion, reject any of the businesses agreed to be sold, and if they think fit may substitute other businesses of a similar character, and in this case the price to be paid to the Vendors will be increased or diminished as the case may be.

Application will be made in due course for a quotation of the shares of the Company on the Montreal and Toronto Stock Exchanges.

Application for Preference Shares should be forwarded to either R. Wilson-Smith, Meldrum & Co., Montreal, or Pellatt & Pellatt, Toronto, together with a remittance for the amount of the deposit. Cheques, drafts, etc., to be made payable to the National Trust Company.

If the whole amount applied for be not allotted, the surplus paid on deposit will be appropriated towards the sum due on allotment. Where no allotment is made the deposit will be returned in full.

Prospectuses and Forms of Application can be obtained at the offices of the Company and from R. Wilson-Smith, Meldrum & Co., and Pellatt & Pellatt.

The Subscription List will be open at 10 a.m. on Tuesday, 15th January, 1901, and will close at or before 4 p.m., on Thursday, 17th January, 1901.

TORONTO, December 19th, 1900.

Note.—Since this prospectus was prepared a fire occurred at the Knechtel Furniture Company's works, which destroyed the factory and warehouses and a portion of the stocks, but not the saw-mill or all lumber. The place was well insured and will be rebuilt to greater advantage than before. This fire will necessitate re-adjustment of the figures relating to the Knechtel Company, but does not substantially change the basis of this Prospectus.

THE DOCTRINE OF AVERAGES.

Wonderful advances have been made of recent years in the accuracy of detail surrounding the doctrine of averages, the foundation of all successful life and other classes of insurance. While it is impossible to foretell how long any individual will live, yet, by means of the modern mortality table, it is possible to compute within, say, thirty days, how long the average life of ten thousand people will be.

The bond companies work on exactly the same principle, though in this case, what may be called "probit tables" are brought into use instead of mortality tables. In other words, it is calculated what percentage of men will steal among a thousand or 10,000 trusted servants, surrounded by certain similar temptations. There is no sentiment about the matter. In effect, an applicant for a bond is told that the odds that he will turn thief are 1 to 400 or 1 to 900 or whatever the case may be, and the company is willing to assume the risk for such a sum, payable annually.

A man's honesty, or breaking strain against temptation, is measured on an average-balance. All sorts of side questions are being probed into: Is an employee more likely to steal from a corporation than from an individual? Are married men more or less honest than

bachelors? At what age do most cases of embezzlement occur? These and many other questions are being rigidly investigated, the tendency being to reduce the business to more and more of an exact science and incidentally to reduce the premiums, because it goes without saying that the greater the accuracy of the calculations, the slighter will be the risk. The employers' liability association are another development of the same system. The statistician has figured out how many employees will tumble down stairs, smash their fingers, fall into elevator shafts, get caught by belting and do other painful and disabling things in a given space of factory or shop. They calculate upon so many accidents per annum to so many square feet of floor, and although such things would seem to be contingent on the purest chance, yet their statistics are beginning to prove so exact as to be thoroughly dependable.

THE SPANISH UNION.

While British statesmen, and some American, have been talking of a great Anglo-Saxon "entente cordiale," throughout the world, our Spanish friends, in South America and elsewhere, perhaps aided a little by suspicion of America's disinterestedness in certain international actions of hers during the past year or two, have manifested unmistakable signs of a desire to come closer together. The respective presidents of Brazil and the Argentine Republic have, it is said,

reached an agreeable understanding, whereby they are likely to exert their united influence towards an amicable adjustment of some of the perplexing questions which have troubled their neighboring republics. At Madrid, too, a Spanish-American congress has been holding sessions, another sign of a growing understanding among the various branches of the Spanish race. Among the innovations proposed at this conference was the establishment of a Spanish-American bank, to have branches in the chief towns of Latin America, half its capital to be subscribed in Spain and the remainder by the several republics interested. Other recommendations were that the Spanish-American Governments should negotiate commercial treaties with Spain, that permanent expositions for Spanish and Spanish-American produce should be established, that all sorts of facilities should be extended to commercial travellers, and that an exportation and importation bank, with numerous branches, should be founded. We are glad to note a departure in this direction among the Spanish countries. Only peace, union and wise legislation are needed to render their possessors amongst the happiest and richest of peoples.

—The Montmagny Printing Co., Montmagny, Que., has been incorporated with a capital stock of \$30,000. Among the charter members are A. Bender, and M. Russeau, of Montmagny, and H. Dionne, of L'Islet.