

divided as follows: \$284,788 being upon current account, \$164,002 on capital account held for purposes of extension, and \$101,910 depreciation or replacement account, while to the credit of the latter account are also held war bonds to the amount of \$98,089. Following is a comparison of the chief items of the profit and loss statement:—

	1917.	1916.
Manufacturing profits	\$199,107	\$223,772
Bank interest, etc.	13,705	10,579
Total income	\$212,812	\$234,351
Bond interest	71,028	71,821
Reserve for depreciation	50,000
Reserve for bond redemption ...	12,422	12,500
Total deductions	\$ 83,550	\$134,321
Balance for dividends	129,262	100,030
Dividends preferred	87,500	87,500
Surplus for year	\$ 41,782	\$ 12,530
Previous surplus	105,994	*93,464
Total surplus	\$147,755	\$105,994

*After \$10,000 written off on trade marks and patents.

Imperial Tobacco Company of Canada.—In December last the directors of the British-American Tobacco Company decided to distribute among the company's ordinary shareholders, in addition to a cash dividend of 30 per cent. for the year ended September 30, 1916, one ordinary share of \$5 of the Imperial Tobacco Company of Canada in respect of every four ordinary shares of the British-American Company. The proposal, which would have involved the distribution of 1,563,580 shares of the Canadian Company, was vetoed by the treasury, and early this month the directors resolved to abandon it, being satisfied that the necessary consent of the treasury was not likely to be given during the war. In giving up the scheme they were influenced by the fact that in consequence of the enormous increase in the cost of leaf tobacco (current prices being in many cases double those of a year ago) it is absolutely necessary, in order to purchase the requisite supplies, to employ some millions of additional working capital. They therefore agreed to sell to the International Financial Society out of their holding of the Imperial Tobacco Company of Canada's shares 1,000,000 shares, the treasury intimating that it raised no objection to the sale under certain conditions. The International Financial Society, through the National Provincial Bank of England and Lloyds Bank, is now offering to the public 1,000,000 shares of the Imperial Tobacco Company of Canada which it recently acquired. The shares were purchased at 17s. each, the society paying a commission of 3d. per share and the whole of the expenses involved in offering them to the public. The price of issue is 19s., at which figure they offer a yield of 7½ per cent. on the assumption that the dividend continues to be 7 per cent., the rate of distribution for the year ended September 30, 1916. The Imperial Tobacco Company of Canada has been successful, and its net profits, exclusive of its interest in the undivided profits earned by associated companies, were £566,400 for the year ended September 30, 1916, or nearly £90,000 in excess of the amount required to pay 6 per cent. on \$1,650,000 of preference capital and 7 per cent. on the \$27,002,500 of ordinary shares issued and outstanding. The company possesses reserves aggregating £375,000, and carried forward over £200,000 at the end of September of last year. The shares now offered to the public for subscription must therefore be considered quite an attractive investment, especially as there is every likelihood of the dividend being ultimately raised above the present level of 7 per cent. The British-American Tobacco Company benefits directly by the sale of the shares by being placed in possession of funds needed to enable it to purchase leaf tobacco at the high prices now ruling, and no doubt in due course the shareholders will derive adequate advantage from the additional capital employed in the undertaking.

The Excelsior Life Insurance Company, Toronto, has subscribed \$200,000 of the Victory war loan. The company is also buying bonds for its employees who subscribe, allowing them to make payments of the same in ten monthly instalments.

SOVEREIGN LIFE'S SUBSTANTIAL SUBSCRIPTION

Dr. H. J. Meiklejohn, managing director of the Sovereign Life Insurance Company, Winnipeg, states that the company has bought \$100,000 Victory Loan bonds.

The company took \$60,000 of the first loan and repeated this service in the case of the second war loan, and also in the case of the third.

The Sovereign Life commenced business 15 years ago and has assets of \$1,000,000. It had a total net income last year of \$250,000, and has about \$6,000,000 in insurance in force. Mr. R. R. Scott is the president, and among the directors are: Messrs. D. E. Williams, C. M. Simpson, George Grisdale, G. N. Jackson, Alex. Melville, E. E. Sharpe, R. G. Macdonald, John MacClelland and William Grayson.

MARYLAND ASSURANCE CORPORATION TO ENTER CANADA

"It is not likely that we will enter Canada immediately, for I understand that the law requires a company to be five years old before it can be qualified in the Dominion. This is a matter of regret to me, for I would like to qualify the corporation immediately." This was the statement made to *The Monetary Times* by Mr. John T. Stone, president of the Maryland Assurance Corporation, Baltimore.

The Maryland Assurance Corporation was formally organized at a meeting held recently at Maryland. The corporation starts with its entire capital of \$500,000 subscribed. The par value is \$10.00 per share, and the selling price \$16.00 per share, the additional \$6.00 providing a paid-in surplus of \$300,000. There are 441 stockholders, of whom 186 are agents of the Maryland Casualty Company, distributed over thirty-six states, besides Cuba and Mexico. One hundred and ten of the officials and employees of the Maryland Casualty Company are also stockholders.

At a meeting of the full board of directors the following officers were elected:—John T. Stone, president; F. Highlands Burns, vice-president; Richard H. Thompson, vice-president for the accident and health department; Alfred G. Portch, secretary-treasurer and actuary; Walter L. Clark, general counsel; and an executive committee consisting of Messrs. John T. Stone, Jas. L. Sellman, Edw. L. Robinson, Wm. J. Donnelly, and Leon E. Greenbaum.

The capital stock of the corporation will all be paid in not later than December 1st, and the corporation will qualify in the various states during the month of December, so as to begin active writing of life, accident and health insurance business throughout the country on the first day of January, 1918.

The corporation has been fortunate in securing the services of Mr. Alfred G. Portch as secretary-treasurer and actuary. Mr. Portch is president of the Actuarial Society of America and is now chief actuary for the Franklin Life Insurance Company of Springfield, Ill. His service in the Maryland Assurance Corporation will begin November 15th. He was a member of the committee of twelve insurance experts who were called in by Secretary of the Treasury McAdoo as advisors in formulating the Federal insurance law for soldiers and sailors.

The Maryland Assurance Corporation will have offices in the annex of the Maryland Casualty Company, formerly the Sexton Building, on South Gay Street, near Baltimore.

The directors of the Corporation are as follows:—Alexander Brown, F. Highlands Burns, Walter L. Clark, Chas. H. Classen, John W. Donahue, of Philadelphia, Wm. J. Donnelly, Henry S. Dulaney, Harry G. Evans, Robt. Garrett, R. Walter Graham, Leon E. Greenbaum, Louis K. Gutman, P. A. Kahle, of Lima, Ohio, W. M. McCormick, J. Wm. Middendorf, J. Henry Miller, J. W. Rausch, T. L. Robinson, Ernst Schmeisser, Jas. L. Sellman, John T. Stone, Chas. J. Taylor, T. T. Tongue, Samuel L. Willard, Geo. T. Wofford, of Johnson City, Tenn.

The whaling fleet of the Victoria Whaling Company has finished work for the 1917 season, and has put up for the winter at the company's dock in Victoria, B.C. The total catch for all vessels for the season is about 400 whales, which represents the work done at three stations, namely, Kyuquot, Sechart and Rose Harbor.