

Following is a letter from Mark W. Dewey, Patent Attorney, of Syracuse, N.Y., countersigned by Arthur Stem, Counsel of Cincinnati, Ohio:—

SYRACUSE, September 1st, 1899.

ROBERT KILGOUR, Esq., President. Toronto:

DEAR SIR,—We are familiar with the patents owned and controlled by the Carter-Crume Company. They are of three classes. Class one includes those issued for improvements in machinery, and they cover some radical and important inventions, the most important of which are covered by patents having over nine years to run.

Class two embraces patents upon check books of a primary character. The most important of these is U. S. Patent No. 406,845. This patent covers broadly and fully the style of check book known as the "Continuous." It is dated July 9th, 1889, and will expire July 9th, 1906. It is a patent which has been respected by the public, there not having been a known case of infringement in more than eight years. We believe it to be a valid patent, and that the manufacture and sale of similar books in the United States can be restrained thereunder.

Class three includes numerous patents taken out as improvements upon the primary ones. Some of these have over ten years to run, others have over fifteen years to run, and still other inventions of this class are the subject of applications upon which patents have not yet been issued.

ARTHUR STEM, Counsel.

Yours truly,

MARK W. DEWEY, Attorney.

BUSINESS

The proceeds of this issue will be availed of to acquire all the property of the vendors used in their manufacturing business, including the real estate, premises, the fixed plant and machinery; also the good-will of the business and the manufacturing assets of every sort (including accounts receivable and bills receivable) trade marks and patents, the business being taken over as of October 1st, 1899. Messrs. Clarkson & Cross, Chartered Accountants, Toronto, have examined the books of the Company, and write as follows:—

ACCOUNTANTS' STATEMENT

TORONTO, August 28th, 1899.

MESSRS. A. E. AMES & CO., Toronto:

GENTLEMEN,—We have examined the books and accounts of the Sales Book and Autographic Register business of the Carter-Crume Company, of Niagara Falls, N.Y., and Toronto, Ont., for a period of five years from August 1st, 1894, to July 31st, 1899, and beg to inform you that, after charging against the profits all operating expenses, including remuneration of officials, we find the annual profits have been as follows:—

Year ending 31st July, 1895	\$109,538 14
“ “ “ 1896	108,663 87
“ “ “ 1897	126,830 27
“ “ “ 1898	141,637 69
“ “ “ 1899	151,819 51
Total for five years	\$638,489 48

All expenditures in connection with the maintenance and repairs of the property have been charged against the profits, and we are of the opinion that a proper amount has been annually written off for depreciation and that the works have been kept in good condition. The losses from bad debts have averaged less than one-half of one per cent. during the past five years.

Yours truly,

CLARKSON & CROSS.

PREFERRED STOCK

The Preferred Stock now offered is entitled to Preferential Cumulative Dividends of 7 per cent. per annum, accruing from October 1st, 1899. The amount required to pay 7 per cent. on the Preference Stock being only \$52,500, it is considered that such dividends are amply assured, and it is provided that, if in any one year dividends amounting to 7 per cent. are not paid on such stock, the deficiency shall be a charge upon the net earnings of the Company and shall be paid subsequently, before any dividend shall be paid upon or set apart for the Common Stock. In case of liquidation or dissolution of the Company the holders of Preferred Stock shall have prior right on the assets of the Company before any amounts shall be payable to holders of the Common Stock.

Dividends will be payable quarterly on the first days of January, April, July and October.

The Charter of the Company will provide that after payment of 7 per cent. in dividends on the Preference Stock, and before the payment of any dividend whatever upon the Common Stock, the sum of \$25,000 shall be annually transferred to a **RESERVE ACCOUNT** in the Books of the Company (to be used in the business of the Company), the better to secure to the Preferred Shareholders payment of the dividends on their preferred shares, and such annual transfers shall be continued until the amount of said account reaches \$250,000, at which sum it is to be maintained, and if it is at any time drawn upon it is to be in like manner restored and maintained.

Application will be made in due course to have the stock of the Company listed upon the Toronto Stock Exchange.

SUBSCRIPTION BOOKS will be opened at the Toronto and Cleveland offices of the undersigned on **WEDNESDAY Morning, the 20th of SEPTEMBER next, at 10 o'clock, and close at 4 o'clock the same day.** The Directors reserve the right to allot only such subscriptions and for such amounts as they may approve, giving preference, however, as far as possible, to subscriptions for small amounts.

5,500 Shares of \$100 Each, at par, \$550,000.

Payable in full on October 1st, 1899.

Subscription Forms may be had on application.

A. E. AMES & CO.

Cuyahoga Bldg., CLEVELAND, OHIO

10 King St. West, TORONTO, ONT.