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Home Bank Assets Very Far Short of Meeting Liabilities

Opinion of Liquidator in
Affidavit Filed Before
Supreme Court

LOSSES INCURRED ON
LOANS \$4,400,000

List of Securities on Which
Losses Occur Submitted
As an Exhibit

(By Canadian Press)

TORONTO, Feb. 14. — That the assets of the Home Bank of Canada, including the amounts recoverable under the double liability of the shareholders, will fall very far short of the amount necessary to meet the liabilities of the bank, is the opinion of G. T. Clarkson, liquidator, given in an affidavit filed by A. W. Ballantyne, K.C., on a motion before Chas. Garrow, K.C., master of the supreme court, on application for a call upon the shareholders for the amount entered opposite their names on the list of contributors. The motion will be made on Tuesday next. It is possible that, in the meantime, counsel for shareholders will endeavor to examine Mr. Clarkson upon his affidavit.

Losses \$4,400,000

The purpose of the affidavit is to show the necessity for resorting to the double liability of the shareholders to meet the losses. Losses which it is expected will be incurred in realizing upon loans made by the bank are placed at \$4,400,000, which will more than wipe out the capital and reserves of \$2,595,734 and will, it is expected, leave a deficit of not less than \$1,800,000. In addition, losses which may reach \$700,000 are expected from minor agricultural and commercial loans made at branches.

The liquidator declines to disclose such information as he has as to the losses expected on loans totalling \$5,800,000 in connection with the Frost account, the New Orleans Railway investment, the County Investment Company, Limited, the Toronto City Estates, Limited, and the Elgin Land Company.

Some Probable Losses

Mr. Clarkson submits as exhibit "A," a list of securities and loans, which he estimates have depreciated \$4,400,000 from the total at which they were carried on the books of the bank. Following are some of the items shown in exhibit "A" with the probable loss on each:

- Arnprior Cabinet Co., Limited, Arnprior, loans, \$120,410; loss \$115,000.
- Atlantic Suit Company, Toronto, loans \$65,857; loss \$60,000.
- Canadian Property Company, Ltd.,

- Toronto, loans, \$919,347; loss \$150,000.
- Canadian Shoe Company, Ltd., and King Shoe Company, Ltd., Toronto, loans, \$577,568; loss \$475,000.
- Estate of General Mason, Toronto, loans, \$54,618; loss \$40,000.
- False Creek Timber Company, Ltd., Vancouver, loans, \$126,394; loss \$120,000.
- Holmes, A. G., Alask., Sask., loans, \$276,347; loss \$225,000.
- Lamont, G. D., and Hector, Toronto, loans, \$167,842; loss \$75,000.
- Mitchell, W. G., and Company, Toronto, loans, \$399,000; loss \$399,000.
- Pattison, A. J., Jr., and Company, Toronto, loans, \$266,086; loss \$200,000.
- Howe Sound Pulp and Paper Company, Limited, Toronto, loans, \$980,000; loss \$500,000.
- British Dominion Co.**
- British Dominion Holding and Investment Company, Montreal, loans, \$1,428,811; loss \$950,000.
- Manufacturers Holding and Investment Company, Toronto, loans of \$451,228; loss \$81,000, and on shares valued at \$180,000, a loss of \$180,000.
- Dominion Industries, Limited, Toronto, loans, \$8,872; loss \$8,000.
- H. J. Daly, Toronto, loans, \$84,759; loss \$50,000.
- Canadian Trucks, Limited, et al., Toronto, loans, \$72,000; loss \$20,000.
- Head office, staff loans, Toronto, loans, \$100,595; loss \$70,000.
- Foreign department, losses on overvaluation of foreign balance, loss \$75,000.
- Call Loan Losses**
- Florence Mason, loans, \$8,553; loss \$4,000.
- H. C. Osborne, loans, \$3,229; loss \$3,000.
- Osborne and Francis, loans, \$6,125; loss \$3,500.
- Osborne and Francis, Limited, loans, \$9,252; loss \$6,000.
- Security Losses**
- \$124,300, Murray Kay, Limited, 7 per cent. preferred stock, loans, \$118,665; loss \$50,000.
- \$75,550, Chicago North Shore and Milwaukee Railway, first preferred, loans, \$80,000; loss \$40,000.
- \$250,000, James O. Ogilvie, Limited, 7 per cent. preferred, loans, \$225,000; loss, \$25,000.
- \$57,000, British Empire Steel, 7 per cent. second preferred issue, loans \$22,610; loss \$10,000.
- \$24,000, British Empire Steel, common, loans, \$2,960; loss \$1,000.
- The list includes a number of small losses in Toronto, Montreal and Winnipeg and continues:
- Vancouver**
- Eagle Timber Company, Limited, loans, \$66,464; loss \$25,000.
- Harris and Company, loans, \$73,743; loss \$10,000.
- Fixtures and Furnitures**
- As per books of the bank, \$321,000. Realizable value is probably \$40,000. For purposes of this statement take at \$121,293. Loss would then be \$200,000.
- The statement also shows aggregate possible losses on loans at the various branches. Some of the biggest items are:
- Amulet, Sask., \$20,000.
- Cabri, Sask., \$100,000.
- Fernie, B. C., \$25,000.
- Moose Jaw, Sask., \$30,000.
- Neepawa, Man., \$40,000.
- Shackleton, Sask., \$15,000.
- Sintaluta, Sask., \$15,000.
- Weyburn, Sask., \$40,000.

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