

THE ADVINCTION ON NOTATION WIDE

BETTOR ROADS

THE GENERAL PROCESS OF THE CONTROL OF THE CONTROL

Offering of \$800,000 of 7% Cumulative Convertible Preference Shares at Par, of

Russell Motor Car Co.

CAPITALIZATION:

7% Cumulative Convertible Preference Stock \$800,000 Common Stock \$800,000

DIRECTOR3:

DIRECTORS:

J. N. SHENSTONE, Toronto, President, Treasurer Massey-Harris Co., Limited.

T. A. RUSSELL, Toronto, First Vice-President and General Manager.

E. B. RYCKMAN, K.C., Toronto, Second Vice-President, of Ryckman, Kerr & MacInnes.

HON, GEO, A. COX, Toronto, President Canada Life Assurance Co.

LIOYD HARRIS, M.P., Brantford, of Harris, Cok & Co.

J. W. McCONNELL, Moutreal, Vice-President Montreal Street Railway Co.

A. E. AMES, Toronto, of A. E. Ames & Co.

GDA NAPPER AGENT. National Trust Co. Limited Toronto.

TRANSFER AGENT—National Trust Co., Limited, Toronto.
REGISTRAR—Montreal Trust Co.
BANKERS—Canadian Bank of Commerce, Toronto.
AUDITORS—Edwards, Morgan & Co., Toronto.

HEAD OFFICE AND FACTORIES: WEST TORONTO

Preference share dividends will be payable quarterly, the first of such payments to be Preference shares carry the right to the holder of exchange at any time, share

for share, for Common Stock, and are preferential both as to assets and cumulative dividend at the rate of 7 per cent. per annum.

The directors feel that the company's large earning power, coupled with this provision of additional capital, warrants payment of substantial dividends upon the Common Stock, and it has been arranged that such dividends will be payable quarterly, the first to be on August 1st next, for the quarter commencing May 1st next, the rate of such payments being 7 per cent. per annum.

The Company has no bonds, and there is no mortgage upon its real estate.

Application will be made in due course to have both the Preference and Common shares
listed on the Toronto and Montreel Stock Exchanges.

We offer for sale 3,000 fully-paid shares of \$100 par value each of the above-men-We offer for sale 3,000 fully-paid shares of \$100 par value each of the above-mentioned 7% cumulative convertible preference stock at par, payable \$20 per share on May 1st, and \$20 per share on the 1st days of July, September, November and January next, with privilege to the subscriber of prepaying at any time the balance upon his shares in full, with privilege to the subscriber of prepaying at any time the balance upon his shares in full, with accrued dividend, receiving certificates for fully-paid shares, ranking for the full quarter's dividend at the succeeding regular dividend date.

Subscription books are now open at our offices, and will close not laster than 4 o'clock ou Subscription books are now open at our offices, and will close not laster than 4 o'clock ou Tuesday, the 25th inst. The right is reserved to allot only such subscriptions and for such amounts as may be approved, and to close the subscription books without notice. Subscription forms are available on request.

The formal prospectus in connection with this issue is on file with the Provincial Secretary.

Russell Motor Car Company, Limited, is the new name of the company heretofore known as "Canada Cycle & Motor Company, Limited." When the company applied for suppleed." When the company applied for supplementary letters patent authorizing the present issue of preference stock it was deemed wise to change the name, for three reasons, viz., that its motor business has been for some time its largest business, that the word "Russel!" has become thoroughly identified with the company's motor cars, and that the new name is shorter than the old.

The high-class character of the cars manu-The high-class character of the cars manufactured during the last three years is thoroughly established, while exclusive rights for use and manufacture in Canada of the Knight Motor gives the company a commanding position in the market, and, with other important teatures we halfers unto the company. features, we believe, puts the company's higher-priced cars on a par with those of the world's best makers.

The world's best makers.

For the year ending July 31st, 1909, the company showed a clear profit, after payment of interest on all indebtedness, of \$30,191.14. That year saw the company well started in prosperous budness, and the net profits for the next year, ending July 31st, 1910, were

\$144,350.96, or 18 per cent. upon the stock. The letter of Mr. Russell, General Manager, which follows, indicates the net earnings for the current year, ending July 31st next (after paying interest on bank advances and other charges) as at least \$175,000. This means a minimum earning for the current year of over 21% upon the common stock. We believe that the company is particularly well managed and organised. Mr. T. A. Russell, who has been General Manager for nine years, has engaged with the Directors to remain in that capacity for a furthar period of three years, and insurance for \$100,000 in favor of the company has been placed upon his life. It is expected that Mr. Russell will remain in charge of the company's business after completion of this spe-

Russell will remain in charge of the company's business after completion of this special three-year period.

In pursuance of our general policy, where we make public offerings of blocks of securities, provision has been made for a representative of this firm on the Board of Directors, and Mr. J. W. McConnell of Montreal and Mr. Lloyd Harris, M.P., of Brantsord are also joining the business, as Directors.

The placing of the \$800,000 of preferences stock has put the company in a strong position financially.

In view of the forejoing, we recommend the purchase of these shares, which, in addition to furnishing an avenue for investment with a high degree of safety, have the attractive and substantial advantage of being exchangeable at any time, share for share, for common stock. The relation of surplus assets to capitalization is unusually scrong.

A. E. AMES & CO. 7 AND 9 KING STREET EAST, TORONTO

RUSSELL MOTOR CAR COMPANY, LIMITED

Our financial year ends on July 31st, and it is generally difficult to furnish an estimate of results at this season of the year, because the first eight months are largely employed in manuscripting goods which are sold and delivered during the last four months. This year, however, it is possible to forecast results for the remaining four months' business with more confidence than usual, because the business has followed closely the lines of last year, except that it shows a substantial increase in volume in almost every department.

Up to the end of March last our sales were \$\$21.142. as compared with \$715.958 for

the same period in the previous year, being a gain of about 15 per cent. There is every prospect that this rate of increase will at least hold during the remaining months, and I expect that our total output for the year will exceed \$2,600,000, as compared with \$1,698,009 last

The hicycle business during the last two years has shown genuine improvement, and we expect a healthy increase in this department. The same remarks apply to the bicycle accessory and parts business, and to the motor accessory and parts business. With the view of holding the very substantial good-will we have in the bicycle and bicycle accessory business, the Directors have decided to continue handling that business under the old same, "Canada Cycle & Motor Co. Limited," as a separate department.

The metor car business is more promising than at any previous period in our experience. I believe the expansion in Canada of the motor car business will be still greater than it has been, because, up to the present, we have scarcely kept pace in this country with the development in motor car business that has taken place abroad. This company's control of the rights for Canada of the Enight Motor is, I believe, a most substantial asset, the value of which cannot easily be exangurated.

easily be exaggerated.

We have just completed an addition to our factory which greatly increases our manufac-

turing facilities. I feel safe in expressing the belief that our profits for the current year, after paying interest on bank advances and other charges, will be in excess of \$175,000. If that exportation is realized we will, at the close of the present year, have surplus assets, at a conser-

vative valuation, in excess of liabilities to an amount exceeding by some \$40,000 the total of both the Preference and Common Stock, or for more than double the Preference Stock. of both the Projectice and Common States, trade-marks and good-will, which are nevertheless valuable assets.

T. A. RUSSELL, General Manager. less valuable assets. Toronto, April 15, 1911.

BALANCE SHEET (As of July \$1st, 1910—Condensed.)

\$1,812,797 18 Stock on many, manufactures, less encumbrance of \$3,000, since paid off Machinery, tools, patterns, furniture and fixtures. Certified correct. EDWARDS, MORGAN & CO.

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