

**CANADA PERMANENT  
LOAN AND SAVINGS COMPANY**

FOURTY-FIFTH

**ANNUAL REPORT,**

DECEMBER 31ST, 1928

Subscribed Capital	\$ 5,000,000
Paid-up Capital	2,690,000
Reserve Funds	1,405,580
<b>Total Assets</b>	<b>10,535,809</b>

**Directors:**

President & Managing Director: J. HERBERT MASON.  
 Vice-President: WM. G. GOODERHAM.  
 EDWARD HOOPER, S. NORDHEIMER,  
 W. D. MATTHEWS, RALPH K. BURGESS,  
 G. W. MONK, E. WELLINGTON.

Assistant Manager: ALFRED J. MASON.  
 Superintendent: RUTHS S. HUDSON.  
 Secretary: GEORGE H. SMITH.

Toronto Solicitors:  
 JONES, MACKENZIE & LEONARD, BARRISTERS.

**Bankers in Canada:**

THE BANK OF TORONTO, THE STANDARD BANK,  
 MERCHANTS BANK OF CANADA,  
 THE ONTARIO BANK,  
 THE CANADIAN BANK OF COMMERCE,  
 IMPERIAL BANK OF CANADA,  
 UNION BANK OF CANADA,  
 BANK OF BRITISH COLUMBIA,  
 BANK OF NOVA SCOTIA.

**Bankers in Great Britain:**

THE LONDON CITY AND MIDLAND BANK,  
 LIMITED, LONDON.  
 THE BRITISH LINEN COMPANY BANK, EDINBURGH.

**HEAD OFFICE:**

**Company's Building, Toronto Street, Toronto**

The Corp. Clerk Company, Limited, Printers, Colborne St., Toronto.

REPORT OF THE DIRECTORS  
OF THE  
CANADA PERMANENT LOAN AND SAVINGS COMPANY  
FOR THE YEAR 1899

It is with great satisfaction that the Directors of the Canada Permanent Loan and Savings Company submit to the Shareholders their Forty-fifth Annual Report, with the accompanying Statements of Profit and Loss, and Assets and Liabilities, duly certified by the Auditors, who as usual have examined the books and accounts of the Company every month. In these Statements the Assets have been taken at the valuation placed on them by the Amalgamation Valuers.

According to the Statements published for the preceding year, the Company had in addition to its Capital Stock a Reserve Fund of \$1,200,000, as well as a Contingent Fund to cover possible depreciation of \$160,058. Since that time payments have been received on a number of accounts then considered doubtful, and many properties have been sold at prices considerably above the value at which they had been estimated. During the year, under the direction of the Amalgamation Board referred to in last Report, Committees of four expert Valuers, one appointed by each Company, made a thorough examination of the securities held by the respective Companies, and it must be gratifying to the Shareholders and Officers of this Company to know that our published statements were fully confirmed and that, so far from its being necessary to reduce our Reserve Fund, as the result of that examination, it was found that the provision we had made in our Contingent Fund for possible depreciation was so much larger than was necessary, that \$100,000 from that Fund could be safely added to the Reserve. While this very pleasing result is in some measure due to the general increase of prosperity, this finding of a Committee of experienced Appraisers, three-fourths of whom were the appointees of the other Companies, each of whose first duty it was to protect the interests of the Company he represented, furnishes the most complete and unquestionable evidence, not only of the high character of our securities and of the conservative policy pursued in estimating the value of its Assets, but also of the care exercised in making loans, and of the watchfulness and ability displayed by the officers of the Company in looking after its extended business. This sum of \$100,000 added to the Reserve, as at 31st December, 1898, the date from which the Amalgamation is to take effect, increased that Fund to \$1,300,000, an amount equal to Fifty per cent. of the paid-up Capital Stock.

The net earnings of the past year, after deducting interest on borrowed Capital and all charges and expenses, amounted to \$263,486; somewhat more than ten per cent. on the paid-up Capital. From this sum \$156,000 were paid to Shareholders in two half-yearly dividends of three per cent. each and \$1,906 were paid for the Shareholders' income tax thereon. The remaining sum of \$105,586, representing the surplus earnings of the year, stands at the credit of Profit and Loss. Considering that the time and attention of the Officers were so much occupied with duties connected with the proposed changes, this result of the business of last year must be considered very gratifying.

The cash receipts from Mortgages continue to be most satisfactory. It has always been our policy to facilitate the paying off of mortgage loans by requiring repayment in small periodical instalments. The receipts, therefore, were not only for interest but included many payments in reduction of principal.

The rate of interest obtainable on choice securities has somewhat improved lately, but is still low, and competition among lenders is very keen.

The Liabilities in respect of Deposits and of Sterling Debentures were materially reduced during last year. The Debentures renewed and the new money received have been at lower rates of interest.

The amount held on Currency Debentures was increased during the year.

The Directors feel that it would be proper for the Company, as one of the Financial Institutions of the country, to do something in aid of the Canadian Patriotic Fund, and recommend a vote of \$2,000 to that object.

Arrangements for taking over the Assets and business of the four Companies named in last year's Report by the Canada Permanent and Western Canada Mortgage Corporation are now nearly completed. Little remains to be done but to call together the Shareholders of the respective Companies to consider the ratification of the Agreement made provisionally on their behalf by the Directors of the several Companies. If the Agreement be confirmed, as doubtless it will, this is the last Report the Directors of this Company will have the privilege of submitting, and they avail themselves of the opportunity to congratulate the Shareholders on the widely extended field of usefulness and the unequalled prosperity which this Company has enjoyed during the whole of the forty-five years of its existence, and to express the hope that the new Company, which will begin under such very favorable conditions, and in which the Shareholders of this Company will have so large an interest, may have an equally successful career.

All which is respectfully submitted.

J. HERBERT MASON,  
*President.*

TORONTO, March 7th, 1900.

# FINANCIAL STATEMENT

— OF THE —

## Canada Permanent Loan and Savings Company,

31st DECEMBER, 1899.

### PROFIT AND LOSS.

	\$	c.		\$	c.
Interest on Deposits, Debentures, &c., &c.	240,769	85	Contingent Fund, January 1st, 1899	160,058	61
Dividends on Capital Stock	\$156,000	00		Interest on Mortgages, Debentures, Rentals, etc.	379,778
Tax on Dividends	1,906	70	Provision for depreciations found to be unnecessary	11,255	67
Cost of Management—Salaries, Directors' Allowances, Inspection, &c., including Branch Offices	157,906	70			
Charges on Money Borrowed and Lent, 1898	68,090	82			
Reserve Fund, addition thereto, as at Dec. 31, 1898	18,687	09			
Appropriations for Amalgamation deductions and other contingencies	100,000	00			
Surplus Profits for the year 1899	60,058	61			
	105,580	15			
	<b>\$751,093</b>	<b>22</b>		<b>\$751,093</b>	<b>22</b>

### ABSTRACT OF ASSETS AND LIABILITIES.

LIABILITIES TO THE PUBLIC.	\$	c.	ASSETS.	\$	c.
Deposits and Interest	\$ 682,894	28	Mortgages on Real Estate	\$ 9,565,038	11
Debentures—Sterling—and Interest (£380,991)	4,285,979	67	Mortgages on other Securities	153,491	43
Debentures—Currency—and Interest	245,925	00	Municipal Debentures	9,718,529	54
Debenture Stock and Interest (£201,329)	979,802	76	Real Estate Foreclosed	188,581	77
Sundry Accounts	47,301	30	Company's Office Buildings (Toronto and Winnipeg)	60,400	20
			Cash on hand	1,401	25
			Cash in Banks	102,410	62
	<b>6,241,903</b>	<b>01</b>		<b>103,520</b>	<b>87</b>
<b>LIABILITIES TO SHAREHOLDERS.</b>					
Capital Stock paid up	\$2,000,000	00			
Capital Stock (\$3,000,000) 20 per cent. paid	600,000	00			
Reserve Fund	\$1,300,000	00			
Contingent Fund	105,580	15			
Dividends unclaimed	326	20			
79th Dividend	78,000	00			
	<b>78,326</b>	<b>20</b>			
	<b>\$10,325,809</b>	<b>36</b>		<b>\$10,325,809</b>	<b>36</b>

GEO. H. SMITH, *Secretary.*

We, the undersigned, beg to report that we have made the usual thorough examination of the Books of the CANADA PERMANENT LOAN AND SAVINGS COMPANY for the year ending 31st December, 1899, and hereby certify that the above statements are strictly correct and in accordance therewith.

J. E. BERKELEY SMITH, } *Auditors.*  
HENRY BARBER, F.C.A., }

Toronto, Feb'y 27th, 1900.

## PROCEEDINGS OF THE FORTY-FIFTH ANNUAL MEETING

The Forty-fifth Annual Meeting of Shareholders was held in the Company's Office Building, on Monday, 12th March, 1900, at 2 o'clock in the afternoon.

The President, Mr. J. Herbert Mason, occupied the chair, and the Secretary, Mr. George H. Smith, was appointed Secretary of the meeting. The following Shareholders were present:—Ralph K. Burgess, Jacob Bull, James Barber, Henry Barber, W. H. Beatty, C. C. Baines, Melfort Boulton, W. H. Clarke, William Cook, R. C. Carlyle, W. M. Cockburn, Benjamin Dean, W. N. Eastwood, Mrs. Fraibe, T. B. Frankish, W. G. Gooderham, Henry Gooderham, A. Cecil Gibson, H. L. Hime, R. S. Hudson, Richard Heather, Fred. Hudson, Beverley Jones, George Jackes, Price Jackes, William Lawrence, C. J. Leonard, E. B. LeRoy, G. W. Monk, John MacNamara, Alfred Myers, Augustus Myers, W. P. Morse, J. Gordon Macdonald, Rev. Dr. Moffatt, Alfred J. Mason, Samuel Nordheimer, Dr. U. Ogden, George Pim, Rev. T. W. Paterson, D. Prentice, Fred. Price, Hon. A. M. Ross, G. M. Rae, W. J. Robertson, Andrew Robb, T. M. Rowland, Alex. Smith, William Spry, John Stewart, R. H. Tomlinson, F. M. Thomas, W. E. Wellington, S. G. Wood.

The Secretary read the Report of the Directors and Financial Statements for 1899.

The President then said:

GENTLEMEN,—Before moving the adoption of the Report of the Directors, just read by the Secretary, I desire to say a few words.

The confirmation and establishment of the very strong and sound position of the Company as at the 31st December 1898, as the result of the searching investigation made during last year, may have been a surprise to some, but was not so to myself nor to others who knew the character and condition of our investments. The severe test and thorough sifting to which our securities were subjected, in common with those of the other Companies proposed to be taken over by the Canada Permanent and Western Canada Mortgage Corporation, revealed the fact that, so far from overestimating our position and presenting a too sanguine exhibit of our affairs in our Annual Statements, we rather underestimated our assets and erred, if at all, on the side of being over-prudent.

In the depression, which reached its lowest point in 1897, when real property became almost unsaleable and general distrust prevailed, we made a thorough examination of our securities, and as a precautionary measure decided to reduce Stockholders' dividends, and provide for a considerable reduction in the value of our Assets. You were told at the time that these precautions were not required to meet actual losses, but to provide in due time for deficiencies which might possibly be sustained. Some of these could not be avoided, and more might have occurred had no improvement in the general condition of the country taken place. That improvement began in 1898. By the end of that year the value of our securities so far recovered that we had a surplus of over \$100,000, of which \$50,000 were restored to the Reserve Fund, and \$50,000 were added to the Contingent Fund. The Committee of Experts appointed by the four Companies concerned, the interests of three-fourths of whom were adverse to the Company whose securities were being examined, found our Assets so good and so ample for the amounts they represented on our books that we have been warranted in restoring another \$100,000 to the Reserve Fund, thus bringing that Fund nearly back to what it was before the reduction made in 1897.

I need not enlarge on the business of 1899. The year was generally prosperous and laid values continued to improve. That we should have been able to realize net earnings of more than ten per cent. in that year, when the time and energies of the Officers at the Head Office, as well as the Branches, were so largely occupied in arranging for the proposed change, shows the great revenue earning power the Company possesses, and will confer on the new Company, if the provisional agreement be ratified and consummated. In that very probable event this is the last time when I may appropriately call your attention to the record this Company has achieved among Canadian Financial Institutions during the forty-five years of its existence. I, therefore, crave your indulgence while I relate a few prominent facts in its history.

This Company was organized on the 2nd day of March, 1855, consequently has passed its forty-fifth birthday. It had a very modest and unpretentious beginning. It has been domiciled on the spot its building now occupies, and where the new Company is to have its home, from that time to the present. At first and for a few years its business was limited to the City of Toronto and vicinity. After that its ramifications were extended throughout the Province of Ontario, then to Manitoba and the North-West Territories, then to British Columbia, and quite recently to the Maritime Provinces, and wherever it went its business has been successfully carried on.

Its Capital was for some years derived from Canadian sources only. In 1862 an attempt was made to tap the great reservoir of accumulated Capital in Great Britain, and turn its fertilizing streams on to Canadian soil, where it was much needed, but from causes which only time could cure that attempt was not successful. Thirteen years later, in 1875, I again visited Great Britain and presented our claims for credit with such success that from that date to the present a steady stream of British capital has flowed to us, to the benefit of the investors, to the advantage of the Company, and especially to the advantage of the borrowing community here, who have thus been able to obtain capital at a much reduced rate of interest.

The annual Dividends paid to the Shareholders have been as follows:—

For the 10 years from 1855 to 1864, inclusive, the average Annual Dividend was 13.10%.			
“ 10	“ 1865 to 1874,	“ “ “ “ “ “ “ “	“ “ “ “ “ “ “ “
“ 10	“ 1875 to 1884,	“ “ “ “ “ “ “ “	“ “ “ “ “ “ “ “
“ 15	“ 1885 to 1899,	“ “ “ “ “ “ “ “	“ “ “ “ “ “ “ “

The average Annual Dividend paid for the whole forty-five years was eleven, and one-half per cent. Of course you understand that these dividends were not paid on all the capital invested, but only on the stock, which averaged about one-fourth of the total amount of capital employed.

The Stock Capital, Reserve Fund and Total Assets were as follows:

	Stock Capital.	Reserve Fund.	Assets.
At the end of 1855 .....	\$31,327		\$68,798
“ “ 1864 .....	796,643	\$22,104	1,284,219
“ “ 1874 .....	1,500,000	457,481	3,415,482
“ “ 1884 .....	2,200,000	1,100,000	8,539,476
“ “ 1899 .....	2,600,000	1,300,000	10,325,809

The extent to which the Company has been used by safe investors as a depository for their capital, received either on deposit withdrawable on notice, or on debentures payable at fixed dates, likewise shows a steady increase.

The amounts held by the Company for investment from the public were as follows:

At the end of 1855	\$32,952
" " 1864	306,601
" " 1874	1,254,172
" " 1884	4,944,948
" " 1899	5,192,757

In all this long time covering several periods of financial depression, when banks and other institutions in good standing were obliged to close their doors, no creditor of the Company has ever been asked to wait one hour for any money he was entitled to claim; and never since 1875 has the Company been obliged, from want of funds, to stop lending.

But it may be asked, is there not another side to the picture? Has not the Company by its exactions been oppressive and injurious to its borrowing customers? During the 45 years of the Company's operations more than 40,000 loans have been made. Speaking generally, and as far as my knowledge goes, I should say that those who have borrowed the Company's money have made good use of it, have derived benefit from it, and have met their engagements for repayment without compulsory measures being necessary. Exceptional cases have occurred where it has been found necessary to resort to sales of property in order to get back our money or to get the interest thereon, but these were not numerous, excepting in times of depression after a period of inflation and speculation. Of course lenders are never very popular, except when a loan is required. Some people have much more pleasant and agreeable faces and words for you when taking your money, than when asked to return it, or to pay the stipulated interest, but it has always been our policy and practice to treat our customers with consideration, and if necessary, with indulgence, when it could be granted with safety. As a result, the Company has an enviable reputation among real estate owners who require for a time to use borrowed capital, and many who have paid off their loans come back to us, if they again desire to borrow.

As to the causes which have contributed to the long continued and distinguished prosperity the Company has enjoyed, I may say, in the first place, that we had a good field of operation in the growing and progressive City of Toronto, situate in the heart of the great Province of Ontario, whose farmers, being nearly all freeholders, are as a class among the most independent men in the world. Then, without saying anything about my own contribution to the success of our Company, as to which others are better qualified to judge than myself, it may be said that we have been fortunate in always having a good Board of Directors, men wise in counsel, and in whom the public justly had confidence. In the early days of the Company the names of Joseph D. Kidout, Peter Paterson, James G. Chewett, James G. Wortz, F. D. Harris, A. & S. Nordheimer, Edward Hopper and others, were a tower of strength to the young Company and its untiring Manager. Then, for 40 years the Company has had the benefit of the services of the Assistant Manager, Alfred J. Mason. No company ever had more faithful service than he has rendered. He has had charge of the Cash Department and of the Office Staff, and in my frequent and sometimes prolonged absences in England and elsewhere, he had also charge of the general business of the Company. I am able to report that during all that period not a dollar was lost to the Company through any defalcation or malversation on the part of any of the Company's employees. I trust that at some time and in some way the new Company may have the benefit of his judgment and experience. Then the Company has had the advantage of having able and faithful men in other responsible positions. I may mention our Superintendent, R. S. Hudson; the Secretary, G. H. Smith; the General Agents, in Winnipeg, G. F. R. Harris, and in Vancouver, Cesare J. Marani, our efficient Inspectors, and the members of the Staff generally, too numerous to mention individually, have rendered good and faithful service. It may be interesting to notice that during the whole 45 years not one member of the Office Staff has died. We were also fortunate in the choice of our Solicitors, and in securing the services of influential Agents and Bankers in Great Britain who, I am glad to say, have consented to represent the new Company. All these causes have contributed in their degree to the Company's success, and to the prosperous condition in which it now stands.

Although closing under its present constitution, it must not be forgotten that in the new corporation this Company will continue to exist, with enlarged powers, and free from some of the objectionable features of its present organization, that more than one-half of the new Company will belong to the shareholders of this Company, that nearly all the officers, who have so successfully carried on the business of this Company, will be on the staff of the new Company, and that in all probability the practice and policy which have worked so well with us will be adopted by the new Company. The Canada Permanent and Western Canada Mortgage Corporation begins business under exceptionally favorable circumstances. It will start out with a carefully scrutinized and selected volume of assets, amounting to more than twenty millions of dollars, which have cost the several companies contributing them many years of time and a large sum of money to obtain. It will inherit the agencies established and the experience acquired in Manitoba and the North-West Territories, as well as in British Columbia, together with a valuable connection throughout Canada and in Great Britain, which have been secured as the result of the expenditure of time and money, all of which the new Company will get at little or no expense. Its cost of management should be a much lower percentage on capital than the aggregate cost of managing the four companies separately. For example, these companies have now each an office in Toronto, and also one each in Winnipeg, making eight in all. Six of these will be unnecessary, and will be dispensed with. In other ways the new Company will have advantages, and under the experienced Board of Directors and the capable officers who will have it in charge, there is no good reason why it should not be at least as successful as any of its predecessors.

I beg to move:

"That the Report of the Directors for the year 1899 be received and adopted, and that it be printed, together with the President's address, and with the audited statements of profit and loss and assets and liabilities, for distribution to the shareholders."

The Vice-President, Mr. William G. Gooderham, said:

Mr. President,—I have much pleasure in seconding the adoption of the report that has just been read. There is no doubt that the remarks you have made to the Shareholders this afternoon carry with them matters of great import. I notice, however, that in your modesty you refrain from informing the Shareholders of the position you have always occupied in the affairs of the Company. You were the organizer of this Company, and have attended every one of the forty-five Annual Meetings that the Company has had since its inception. I think that in printing your remarks, some mention of that should be made. I do not like to see you entirely overlooked. When the Company is merging into another one, I think that the Shareholders of this Company should know that in all probability the practice and policy of this Company will be pursued by the new Company.

It is unnecessary for me to enlarge on the remarks made by you. I will content myself with seconding the adoption of your report.

The motion was unanimously carried.

It was moved by Hon. A. M. Ross, seconded by Mr. Augustus Myers,

"That the thanks of the meeting be given to the President, Vice-President and Directors for the care and ability with which they have conducted the affairs of the Company during the past year, and that they be voted as compensation the same sum as was voted in the preceding years; and that, in the event of the assets of the Company being transferred to the Canada Permanent and Western Canada Mortgage Corporation, they be paid in the same proportion up to the date when arrangements are completed."

Hon. Mr. Ross said:

**MR. PRESIDENT.**—I am sure the Shareholders must be as gratified as yourself with the favorable report you have been able to place before them to-day. No doubt the last few years of depression in Canada has been a period of great anxiety to yourself and to the Board, as it has been a period of anxiety to the Shareholders, and it is gratifying to find after the investigation which has taken place, that the first official report, which we now have before us, shows the result of the examination to have been so highly satisfactory. The effect of that has been to a certain extent forestalled by the public, as appears by the price of the stock. When it leaked out that a report was likely to prove so favorable, we have seen the stock go up day after day, until it is now standing 30% higher than it was a year ago. To yourself I am sure it must have been a great source of satisfaction, after all the anxiety that you and the directors have had, and after all the rumors to the effect that the investments of the Canada Permanent had not been perhaps as safe and secure as they ought to have been. The report which has been made removes all these suspicions, and reveals the fact that the management of the Canada Permanent in the past has been one of thorough safety, economy and sound judgment. I think there is no doubt that the motion which I am about to make will meet with the hearty approval of all the Shareholders. As I stated before, the past few years have been a very trying period, and the recognition of their efforts, for which my motion provides, seems the least that we can offer them.

I may mention before sitting down, that I am very gratified to see one recommendation in your report, that the Company should contribute \$2,000 to the Canadian Patriotic Fund. The Shareholders of this Company, as all other Canadians, are thoroughly patriotic, and perhaps would be pleased to see the sum even larger, if the circumstances of the Company permitted. However, I am satisfied that the recommendation will be enthusiastically adopted. (Applause.)

**Mr. Augustus Myers said:**

**MR. PRESIDENT AND DIRECTORS.**—I would like to say a few words. I was most agreeably surprised to get the Statement of 1899 (hear, hear), and on looking over the previous Statements, I see that your Contingent Account and Reserve Fund together amount now to nearly the same as in 1896. I may say that a few years ago I felt very much prejudiced against the management of this Company, and at one of the Annual Meetings said, perhaps, more than I should have. You are all well aware that ugly street rumors were going around about this Company and the land that it had made. I am candid enough to admit now that I was one of those who were so concerned with what I conceived to be the position of the Company, and that I had no reason for holding the views which I did. I think that this is the premier Company of Canada. (Applause.) This Statement of yours has been verified by the four Valuers, and I have not the slightest doubt now that you have written off every doubtful account you may have had on your books, and that we have a clean sheet to commence with in the new Company. I will admit that to me it is unexpected to find that our Reserve Fund amounts to a 50% over and above our capital.

With these few remarks I have great pleasure in seconding the resolution of thanks to the President and Directors.

The motion was unanimously carried.

It was moved by Mr. Ralph K. Burgess, seconded by Mr. W. E. Wellington,

“That the Shareholders desire to express their thanks to the managers, inspectors, and staff of the office, to the solicitors and appraisers, and the agents of the Company in Manitoba, British Columbia, and Great Britain, for their zealous and efficient services in their respective departments during the past year.” Carried.

In speaking to the motion, Mr. Burgess said:

**MR. PRESIDENT.**—This is one of those resolutions which is customary and very often meaningless, but I think that in this case the resolution means exactly what it says; in fact the whole history of the Company, as we have had it outlined, shows that this resolution should be heartily adopted. You are all aware of the severe test our securities have been subjected to during the past year by the inspectors of the other three Companies—we may say valued by three opponents—and notwithstanding the very close scrutiny and severe writing down the result shows that our assets were worth dollar for dollar. I venture to say that there are very few financial institutions in Canada doing a very large business whose affairs would come out so well after such a keen scrutiny as those of the Canada Permanent have been subjected to, and that, gentlemen, is all to be attributed to the excellent management of the managers and staff generally. It certainly has been the mainspring from the first to last. I do not think that any words that I can say could speak stronger than these figures and solid facts which have been laid before you. As to our agents in Great Britain, we certainly owe them our very sincere thanks. During the great number of years they have acted for us they have provided us with a large amount of our capital. It is true we have given them the very best security for it. At the same time that money has been of very great benefit to us and to our customers, and their advice and the advantage of their connection have been of the utmost service in forwarding the interests of the Company.

**Mr. W. H. Beatty said:**

**GENTLEMEN.**—I do not intend to go over any of the ground which the previous speakers have, but I think there is one thing which you ought to know, and which Mr. Mason in his modesty has not told you, and that is, what you are going to get for your stock, namely, that for each \$100 of stock you now hold you are going to get \$120 of stock in the new Company; and I say that that \$120 will be worth on the market \$130. Mr. Mason told you that the new Company is starting under very favorable auspices, but he did not tell you the whole story. I am very much pleased to see the mainly way in which my friend, Mr. Myers, stands up and admits his error. This new Company, gentlemen, starts with a million dollars of undisclosed assets, and I will tell you what they are. They have loans to the amount of twenty-five million dollars. These loans have cost one per cent. each to get, i.e. \$250,000. They have got nearly twenty millions of borrowed money in their hands, which cost one per cent. and some of it a good deal more. There is half a million dollars in the hands of inspectors, who have travelled from Dan to Bersheba in looking after loans. They know the country from one end to the other; what sort of land there is in each township. Now, gentlemen, they have got all that, and I say that that \$120 will be worth a million dollars of assets the old companies cannot charge for. As far as they are concerned, I call Mr. Mason “the father of all liars.” Now that is what Mr. Mason has not told you. He deserves a great deal of credit for it. I call Mr. Mason in a position to do something for the man to whom you are indebted for all this. The Board cannot vote it to him without your authority. Now I had occasion to submit a resolution of this kind to a little company I am in, which was adopted. We cannot brag as you can, and I want you to put it in the hands of those gentlemen whom you have trusted, to give him such sum as they think reasonable for the service he has done for you. I have had occasion during the time that the negotiations for the amalgamation have been going on to have a few fights with Mr. Mason. By Jove, I wish some of the other companies only had him in them. With him it was Canada Permanent all the time, and he saw that the Canada Permanent got everything that was its due.

I beg to move.

“That in recognition of the valuable services rendered to the Company by the Managing Director, during the long period of forty-five years, the Directors be requested to vote him such suitable sum as they may consider reasonable and proper on completion of the arrangements for the transfer of the assets of the Company to the Canada Permanent and Western Canada Mortgage Corporation, such vote not to impair the Reserve Fund of 50%.”

The motion was seconded by Mr. Augustus Myers and was unanimously carried.

It was moved by Dr. U. Ogdén, seconded by Hon. A. M. Ross,

“That the Directors be hereby authorized to pay the sum of \$2,000 to the Treasurer of the Canadian Patriotic Fund.” Carried.

The election of Directors was then held, and resulted in the unanimous re-election of Messrs. Edward Hooper, W. G. Gooderham, W. D. Matthews and G. W. Monk.

At a subsequent meeting of the Board, Messrs. J. Herbert Mason and William G. Gooderham, were respectively re-elected to the office of President and Vice-President.