

New Issue

\$3,500,000

The Salt's Textile Manufacturing Company

First Mortgage Fifteen-Year 8% Sinking Fund Gold Bonds

Dated June 1, 1921

Authorized and to be Issued \$3,500,000

Due June 1, 1936

Interest payable June 1 and December 1. Principal and interest payable at the option of the holder at the office of W. A. Harriman & Co., Inc., New York, or at the office of Halsey, Stuart & Co., Inc., Chicago, Ill. Coupon Bonds in denominations of \$1,000, \$500 and \$100, registrable as to principal; all denominations to be fully interchangeable; registered Bonds in denomination of \$1,000.

Callable in whole or in part at 107 1/2% and accrued interest up to and including June 1, 1923, thereafter and up to and including June 1, 1931, at 105% and accrued interest, and thereafter to maturity at 102 1/2% and accrued interest.

Guaranty Trust Company of New York, Trustee

Interest payable without deduction for any Federal Income Tax not exceeding two per cent. (2%).

Company will refund Pennsylvania four-mill tax and Connecticut tax up to six mills.

Mr. Frederic E. Kip, President of the Salt's Textile Manufacturing Company, summarizes from his letter as follows:

HISTORY AND BUSINESS: The original "Salt's" Company was founded in England in 1829. The present Company, established in 1891, was incorporated under Connecticut laws in 1893, and is now the largest manufacturer of pile-fabrics in the world.

SECURITY: These bonds, in the opinion of counsel, will be secured by a first closed mortgage on the entire fixed assets of the company, which have been recently appraised by independent engineers at a sound valuation, depreciated, of \$9,307,656, or in excess of two and one-half times principal amount of all the First Mortgage Bonds.

ASSETS: On completion of this financing, which includes the sale of \$500,000 par value of First Preferred Stock, the Company's balance sheet as of May 21, 1921, shows net tangible assets of \$14,570,761.62 after depreciation, reserves and deduction of all liabilities except these bonds, and net quick assets of \$4,343,696.47. Patents, good-will, trade marks, etc. are carried at one dollar.

SINKING FUND: The Sinking Fund provides for semi-annual payments beginning June 1, 1922, of 10% of the net earnings applicable to dividends but not less than \$150,000 per year, except in 1922 when the minimum is \$225,000, thus providing that a minimum of 62% of the issue will be retired by maturity.

EARNINGS: The stability of the Company's business over a period of years is set forth in the following table:

Table with columns for Year (1911-1920) and Net Sales (\$6,388,141 to \$12,671,638).

The average annual net earnings, as audited by certified public accountants, applicable to interest and Federal Taxes for the four years ended December 31, 1919 were \$1,761,077.47. For the year 1920 the Company made an operating profit of \$2,493,031.24. However, due to the large inventory which was acquired in anticipation of the opening of a new mill at the Darby plant, which opening was delayed for over six months because of numerous construction strikes, the Company incurred a deficit, after all interest charges of \$2,531,469.31. For the five months ended May 31, 1921, net earnings applicable to interest and Federal Taxes were \$610,854.86, or at the annual rate of \$1,466,061.64.

PLANTS: Plants at Darby, Pa., covering 10 acres, and at Bridgeport, Conn., covering 13.8 acres, provide the Company with manufacturing facilities for the conversion of practically all known textile materials from their primary raw state into finished products. These plants are of modern mill construction, well equipped and well maintained, and contain a number of machines developed and constructed by the Company, which embody many improvements not obtainable in commercial machines. The plants employ at the present time 2,500 operatives, which is approximately the number necessary for normal production.

We offer these bonds, subject to approval of counsel and to prior sale, when, as and if issued.

Price 99 1/2 and accrued interest, to net over 8%

The statements contained herein are not guaranteed, but are based upon information which we believe to be accurate and reliable, and upon which we have acted in the purchase of these bonds.

W. A. Harriman & Co. INCORPORATED NEW YORK BUFFALO SYRACUSE

Halsey, Stuart & Co. INCORPORATED NEW YORK PHILADELPHIA

New York Bonds

Large table listing various New York Bonds with columns for Bond Name, Par Value, and Price.

What Really Counts in Investing Money

THE one thing that really counts in investing money is ultimate safety. Prompt payment of interest is important, but the most important question for every July investor to ask—and to make sure of the answer—is:

"When my bonds mature, two years, ten years, fifteen years hence, will I certainly be paid my principal on the day due—in cash, without delay?" "Has every safeguard been provided to make sure of paying me and all other bondholders—without ifs or buts, or extensions or renewals?"

The STRAUS PLAN is a modern and scientific system of investment safeguards, which protects every bond we offer. It automatically provides for prompt payment of both principal and interest and assures the ultimate safety of your funds. Call at our new building and investigate before you invest your July funds, or, if more convenient, write today for

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THIRTY-NINE YEARS WITHOUT LOSS TO ANY INVESTOR



THE NATIONAL CITY BANK OF NEW YORK AND BRANCHES

Condensed Statement of Condition as of June 30, 1921

Table showing Capital, Surplus and Undivided Profits (\$104,460,411.14) and Assets (CASH on Hand, Loans and Discounts, etc.) totaling \$868,046,166.25.

Recommendations for Investment of July Funds

- American Power and Light—20-Year 8% Secured Gold Bonds, 1941... 8.15
Denver Gas & Electric Light—25-Year Gen'l Mtge. 7 1/2% Gold Bonds, Series "A," 1946... 7.85
Federal Land Bank—5% Bonds, 1941... 5.00
Government of the French Republic—20-Year Ext. Gold Loan 7 1/2% Bonds, 1941... 8.00
Great Northern Railway—General Mortgage 7% Gold Bonds, Series "A," 1936... 7.40
Gulf Oil—12-Year 7% Sinking Fund Debenture Gold Bonds, 1933... 7.60
Illinois Central R. R.—15-Year 6 1/2% Secured Gold Bonds, 1936... 6.80
Northwestern Bell Telephone—First Mortgage 7% Bonds, Series "A," 1941... 7.05
Southwestern Power & Light—20-Year 8% Gold Notes, Series "B," 1941... 8.10
Standard Oil (Cal.)—10-Year 7% Gold Debentures, 1931... 6.70

Bonbright & Company 437 Chestnut Street, Philadelphia

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A. B. Leach & Co., Inc. Investment Securities 115 South Fourth St. Bell-Lombard 0257

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(The one in which you are interested) Have you obtained a report on the company, the latest news, the price range and the trend of the market? To do so may be profitable to you.

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\$75,000 New York Central Lines Equipment Trust Gold 4 1/2 Due January 1, 1924

Issued January 1, 1910, these Equipment Trust 4 1/2s are secured by locomotives, passenger and freight cars, built at the low prices prevailing prior to the outbreak of the European War. The original cost of this equipment was \$33,333,300, against which an original cash payment of 10 per cent was made, or \$3,333,300. Of the original \$30,000,000 Certificates which were issued only \$8,000,000 remain unpaid, as the balance of \$22,000,000 has been redeemed and paid off by the company. So that of the original cost 76 per cent has been paid—the entire equipment originally purchased being held by the Trustee for the protection of the holders of these Certificates.

This issue is guaranteed jointly and severally as to principal and interest by each of the following: New York Central and Hudson River R. R. Co. Lake Shore and Michigan Southern R. R. Co. Cleveland, Cincinnati, Chicago and St. Louis R. R. Co. Michigan Central R. R. Co. Chicago, Indiana and Southern R. R. Co.

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Are Railroad Investments Safe? Elisha Lee, Vice-President, Eastern Region, Pennsylvania Railroad, discusses the soundness of railroad investments in an easily understood address, entitled, "Our Unwatered Railroads" Write for reprint and follow Mr. Lee's reasoning as he compares the security of railroad bonds with that of first mortgage bonds on real estate. Ask for Letter K-23. J. F. MCGOVERN & CO. Members of Phila. Stock Exchange 1440 South Penn Sq., Phila. Orders executed in all Markets

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