

NEW ISSUE

\$30,000,000

THE AMERICAN AGRICULTURAL CHEMICAL COMPANY

7 1/2% First Refunding Mortgage Sinking Fund Gold Bonds

Dated February 1, 1921

Due February 1, 1941

Principal, interest and sinking fund payable at offices of Lee, Higginson & Co. in New York, Boston and Chicago. Callable, as a whole or in part, at 105 prior to February 1, 1926, during next 5 years at 103 1/2, during next 5 years at 102 1/2, during next 4 years at 101, and during last year at 100 1/2.

Interest payable without deduction for normal Federal Income Tax up to 2%

OLD COLONY TRUST COMPANY, BOSTON, TRUSTEE

Capitalization

(Upon completion of present financing)

Funded Debt:

First Mortgage 5% Bonds, due 1928 (closed mortgage) \$ 6,959,000
7 1/2% First Refunding Mortgage Bonds, due 1941 (this issue) 30,000,000 \$36,959,000

Capital Stock:

Preferred, 6% Cumulative \$28,455,200
Common 32,618,900 \$61,074,100

From a letter of the Chairman, Mr. Robert S. Bradley, we further summarize as follows:

BUSINESS: The Company was organized in 1899 under the laws of Connecticut. Its business is the manufacture and sale of chemical fertilizer and allied products. It owns and operates 50 plants well distributed to serve agricultural districts in the United States. It also owns lands containing phosphate deposits estimated sufficient to meet the Company's requirements of this basic raw material for more than 100 years.

ASSETS: Total net assets, based on June 30, 1920 balance sheet but including proceeds of present financing, are valued at \$113,254,547 or more than 3 times total funded debt of \$36,959,000. Value of the mortgaged property alone is more than \$53,000,000 or 144% of the total funded debt. In addition net current assets (working capital) are more than \$55,000,000.

EARNINGS: Net profits applicable to interest charges for fiscal year ended June 30, 1920 (after deducting \$2,308,351 for depreciation and depletion) were \$7,164,733, or 2.75 times the present interest charges of \$2,597,950 on the total \$36,959,000 funded debt, including this issue. Average annual net profits for last 5 years were \$7,630,778, or nearly 3 times these charges.

SINKING FUND: 3% annually of total First Refunding Mortgage Bonds issued, first payment February 1, 1923, to be used for purchase or call and retirement of Bonds; sufficient to retire before maturity more than 50% of the amount of the present issue. In addition, a sinking fund of \$375,000 per year is operating to retire the First Mortgage 5% Bonds.

SECURITY: These Bonds will be secured by a mortgage on all real estate, plants and equipment, now owned or hereafter acquired by the Company, subject only to the \$6,959,000 First (closed) mortgage 5s, to retire which, First Refunding Mortgage Bonds are reserved. Total mortgage debt at any time outstanding is limited to 75% of the value of mortgaged properties. In addition, the Company covenants to maintain net assets at least 250% of total funded debt and to maintain current assets at least 140% of current liabilities.

DIVIDENDS: Regular 6% cash dividends have been paid on the Preferred Stock continuously since organization in 1899. Continuous cash dividends averaging over 5% per year have been paid on the Common Stock from January, 1912 to October, 1920, (8% during each of the last two years). In January, 1921 the 2% quarterly Common dividend was paid in Common Stock at par.

We Recommend these Bonds for Investment

PRICE 97 1/2 AND ACCRUED INTEREST YIELDING ABOUT 7 3/4%

It is expected that interim receipts will be ready for delivery on or about February 1, 1921

LEE, HIGGINSON & CO.

BOSTON NEW YORK CHICAGO

HIGGINSON & CO., London

1306 FINANCE BUILDING, PHILADELPHIA

The statements contained in this advertisement, while not guaranteed, are based upon information and advice which we believe accurate and reliable. This statement appears as a matter of record only, all the above bonds having been sold.

NEW YORK BOND SALES

Summary of Individual Transactions on New York Exchange

Table listing various bond transactions including ISRAEL IN \$1000, KINDRED DENOMINATIONS, and GOVERNMENT BONDS.

LOCAL MINING STOCKS

Table listing local mining stocks such as Cash Box, Jim Butler, MacNamara, etc.

LONDON STOCK MARKET

Industrial Depression Had Unfavorable Effect on Sentiment. London, Jan. 26.—Industrial depression and feverish movements in the foreign exchange had an unfavorable effect on sentiment on the stock exchange today, and the undertone of the market, in the main, lacked steadiness.

We Offer

New York, Brooklyn and Manhattan Beach Rwy. Co.

Now First Mgt. 5s, due 1935

Property in City of Greater New York forms integral part of the Pennsylvania Railroad's freight route to New England. Cost of improvements alone safely in excess of five times amount of Bond Issue.

Price to return over 6%

WELSH BROTHERS 325 CHESTNUT STREET Philadelphia Lombard 1543

There Is Time for Everything

The purchase of real estate before the recent boom resulted in large profits, as did the purchase of securities of selected industries that were permanently benefited by the recent growth in business activities.

The Cause and Effect of Present Developments

will be so truly reflected in future results that a strict adherence to the "First Principles of Safe, Profitable Investments" will afford to many the most advantageous opportunities of a lifetime.

Send for booklet outlining these principles, or for selected investments yielding from 4.70% to 7% for long periods and up to 10% for a short term.

FRAZIER & CO.

Broad and Sansom Sts. Philadelphia Washington, D. C. Harrisburg, Pa. Baltimore, Md.

New Issue

\$5,000,000

City of Philadelphia 30-Year 5% Bonds

Dated January 1, 1921

Due January 1, 1951

Denominations: Coupon Bonds, \$1000; Registered Bonds, \$100 or multiples thereof. Principal and semi-annual interest (January and July 1st) payable at office of the City's fiscal agent. Coupon bonds may be registered as principal. Coupon and Registered bonds may be interchanged in amounts of \$1000 at any time at the option of the holder.

Free of Pennsylvania State Tax and Federal Income Tax. Legal Investment for Savings Banks and Trust Funds in Pennsylvania, New York, New Jersey, and all the New England States

FINANCIAL STATEMENT

(Furnished to us by City Controller)

Table showing financial statement data: Total Assessed Valuation 1920: \$2,635,097,960; Total Funded Debt Outstanding including this issue: 189,392,550; Net Water Debt and Municipal Wharves Debt: \$24,822,858; City Loans held in Sinking Fund: 39,858,500; Net Funded Debt: \$124,711,192.

Net Debt 4.7% of Total Assessed Valuation. Population 1920 Census: 1,823,158; Population 1910 Census: 1,549,008

PRICE

To yield approximately 4.75%

Legal opinion of Messrs. Morgan, Lewis and Bockius, Philadelphia

Elkins, Morris & Co. Philadelphia

Biddle & Henry Philadelphia

Edward B. Smith & Co. Philadelphia and New York

Commercial Trust Co. Philadelphia

Franklin Securities Corp. Philadelphia

The above information while obtained from sources believed to be reliable, is not guaranteed.

Combines Safety and High Return. Cities Service Company Preferred Stock. Backed by large and growing equities. Dividend earned 4 1/2 times over 34,000 holders of record indicate wide distribution, broad market and confidence of investors. Returns, at present price more than 9%.

Henry L. Doherty & Company. 604 Morris Building Philadelphia, Pa. Telephone: Locust 1440

Bond Salesman. Wanted, by established brokerage house with private wires and branch offices in principal cities, experienced men of highest caliber desired to handle high-grade bonds. Salary and commission. State full particulars. C 721, LEDGER OFFICE

GEO. A. HUHN & SONS. STOCKS AND BONDS. Members of the Philadelphia, New York and Chicago Stock Exchanges. Specializing in the sale of Commission Orders Executed in All the Principal Markets. 1418 Walnut St. NEW YORK OFFICE: 111 Broadway, New York

LIBERTY BONDS. EDWARD LOWBER STOKES. 20 S. 15th Street. Locust 844

Frederick Peirce & Co. INVESTMENT BOND BROKERS. 1421 Chestnut Street, Philadelphia

Helping Investors. to select suitable securities is the primary duty of a reliable investment banker. Obviously such a service can be rendered to the best advantage by bankers who own and offer a diversified list of Government, Municipal, Railroad, Public Utility and Industrial bonds and notes and a selected list of preferred stocks. Write for our Investment Suggestions L. No. 19

A. B. Leach & Co., Inc. Investment Securities. 115 South Fourth St. Bell Telephone, Lombard 257

St. Louis Bridge Co. 2d Preferred Stock. Guaranteed by Terminal R. R. Assn. of St. Louis. Price to yield 6.66% Free of Normal Federal Income Tax

Moore, Leonard & Lynch. CUSHMAN NEWHALL, Mgr. Bond Department. 1429 Walnut Street. Board Room Ritz-Carlton Hotel. Members: New York—Philadelphia & Pittsburgh Stock Exchanges

Delaware & Bound Brook 8% Guaranteed Stock. CHARLES FEARON & CO. 333 Chestnut Street

Some Facts Regarding Liberty Bonds

United States is by far the richest nation in the world; in comparison with other countries our national debt is ridiculously small. More nearly normal money rates and industrial conditions will mean that United States' obligations will return to a basis where the yield will approach that of pre-war days. In the meantime Liberty Bonds are selling to yield more than certain standard issues of railroad and municipal obligations. If some of the tax features of Liberty Bonds are not clearly understood, we invite requests for information.

400 Questions Answered Free. Never before in the history of the United States have financial words and phrases been so generally used. Do you understand all of them—or is market news "Greek" to you? A free booklet explaining more than 200 which are used constantly by brokers, bankers and financial reporters is yours for the asking. Call, phone or write for No. T. U.-348

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The First National Bank of Boston. Capital, Surplus and Profits \$37,500,000. Safe Bonds for Investment. HALSEY, STUART & CO. Inc. J. M. SALES C. S. PATTON 30 AND CHESTNUT STS. BONDS Tax Fr. Yielding 4 1/2% to 8%

400 Questions Answered Free

Never before in the history of the United States have financial words and phrases been so generally used. Do you understand all of them—or is market news "Greek" to you? A free booklet explaining more than 200 which are used constantly by brokers, bankers and financial reporters is yours for the asking. Call, phone or write for No. T. U.-348

Hemphill, Noyes & Co. Members New York Stock Exchange. Franklin Bk. Bldg., Philadelphia New York Boston Scranton Buffalo Albany Syracuse Baltimore