

NEW ISSUE

\$2,500,000

Oklahoma Gas & Electric Company

Bond Secured 8% Convertible Gold Notes

Dated February 1, 1921 - Due February 1, 1931

Callible as a whole or in part at the option of the Company upon thirty days' published notice on any interest date up to and including February 1, 1926, at 105; and thereafter at 107 1/2 less during each year up to and including February 1, 1930, and on August 1, 1930, at 100, plus accrued interest in each case.

Coupon Notes in denominations of \$1000, \$500 and \$100, with privilege of registration as to principal only.

The Company will agree to pay interest without deduction for any Federal Income Tax not in excess of 2% which it may lawfully pay at the source. Pennsylvania four mills tax refunded upon application.

The Notes will be convertible at 107 1/2 on and after February 1, 1922, and thereafter until maturity or their earlier redemption into 7% Cumulative Preferred Stock of the Company at 100 with adjustment of interest and dividends.

THE NEW YORK TRUST COMPANY, NEW YORK, TRUSTEE

We refer to the accompanying letter of Mr. J. J. O'Brien, Vice-President of the Company, for further particulars concerning this issue, summarized as follows:

BUSINESS—Oklahoma Gas & Electric Company's system comprises modern and efficient electric generating plants and distributes electricity and natural gas, serving many important cities in Oklahoma, including Oklahoma City, Muskogee, Sapulpa, El Reno, Enid, Drumright and other towns, with a total population estimated at 225,000.

PURPOSE OF ISSUE—Proceeds from the sale of these Notes and from the sale of First & Refunding Mortgage 7 1/2% Gold Bonds due February 1, 1941, and Preferred Stock will provide funds for the retirement of certain underlying bonds and notes and payment of Floating Debt incurred for extensions and additions to the property.

SECURITY—These Notes will be the direct obligation of the Company and will be secured by a Trust Agreement dated February 1, 1921, under which will be pledged as collateral \$3,750,000 General Mortgage Bonds of the Company, due February 1, 1931. The value of the physical property is largely in excess of the face value of the total funded debt including these Notes.

PROVISIONS OF ISSUE—The authorized amount of these Notes will be \$7,500,000 of which \$2,500,000 will be presently outstanding (this issue). The remaining Notes

may be issued upon deposit of General Mortgage Bonds in the ratio of 150% of Bonds to each 100% of Notes and only when Net Earnings, after deducting prior annual interest charges, shall have been equal to at least three times annual interest charges on the Notes outstanding, including those to be issued.

EARNINGS—Net Earnings for the year ended December 31, 1920, after deducting all prior annual interest charges exceed 3.43 times the annual interest requirements of these Notes. Net Earnings for the same period are equal to over 1.61 times annual interest charges on the total funded debt, including interest on these Notes. Earnings of the properties have shown consistent and substantial growth, gross earnings having increased over 153% and net earnings over 73% in the past five calendar years.

SINKING FUND—An annual Sinking Fund of \$125,000, payable in semi-annual installments and commencing August 1, 1921, will be provided in the Trust Agreement for the retirement of the Notes at not exceeding the redemption prices. This Sinking Fund should retire approximately one-half of the present issue before maturity. The annual Sinking Fund will be increased by 5% of any additional notes issued.

All legal matters in connection with the issue of these Notes will be passed upon by Messrs. Winthrop & Stinson of New York for the Bankers, and Messrs. Cummings Rorem & Flynn of Chicago for the Company. The accounts of the Company are audited annually by Messrs. Haskins & Sells, Certified Public Accountants.

The above Notes are offered when, as, and if issued and received by us at 96% and accrued interest, to yield over 8 1/2%.

Temporary receipts of The New York Trust Company will be issued, exchangeable for Temporary of Definitive Notes when, as, and if received from the Company.

Federal Securities Corporation

H. M. Byllesby & Co., Inc. Bonbright & Company

E. H. Rollins & Sons Spencer Trask & Co.

The information contained herein is derived from sources which we regard as reliable, and all statements in this advertisement are based upon such information.

NEW YORK BOND TRANSACTIONS

Table listing various bond transactions with columns for bond name, price, and other details. Includes entries like 'Amn Agricul', 'Chico Mill', 'Int Met of 4 1/2%', etc.

BAR SILVER Bar silver was 1/4d higher in London today at 24 1/4d.

- Tidewater Oil Co. Debenture 6 1/2%, 1931
Atlantic Refining Co. Debenture 6 1/2%, 1931
Gulf Oil Corporation Debenture 7%, 1933

Bonds of some American companies have foreign exchange features

Bonds of some American railroads originally placed with European investors are payable in foreign currency. These bonds may be purchased in this country at attractive prices, due to depreciation of foreign exchange.

known American companies whose stability and earnings are based on conditions in America. The details of these companies' operations are readily available for accurate analysis by the investor.

Such bonds have features in their favor not possessed by foreign bonds in general.

As these bonds are payable, principal and interest, in foreign currency, they possess the speculative feature of considerable increase in value as foreign exchange approaches normal.

Examples of the above bonds are as follows:

- Chic., Milwaukee & St. P. Ry. Co. European Loan 4s, 1925 Price \$57.00 per 500-franc bond
Central Pacific Ry. Co. European Loan 4s, 1946 Price \$65.00 per 500-franc bond

Principal and interest payable in Pounds Sterling or Francs.

EDWARD B. SMITH & Co

1411 CHESTNUT STREET PHILADELPHIA
Members New York and Philadelphia Stock Exchanges
165 BROADWAY NEW YORK

A 29 Year Power Company Bond Yielding 8% Available in \$1,000, \$500 and \$100 Amounts

The Empire District Electric Company (Joplin, Mo.)

First Lien and General Mortgage 8% Gold Bonds Due November 1, 1949

Price 100 and Interest, Yielding 8%

Callible only at 110 if redeemed on or before November 1, 1925, at 107 1/2 thereafter and on or before November 1, 1935, at 105 thereafter and on or before November 1, 1945, and thereafter at a premium of 1% for each complete year intervening between the last date of call and maturity.

This offering combines two qualities now much in favor among discriminating investors—

- 1—It is a long term, high coupon rate bond protected against early call by a high call price.
2—It is a power company bond.

Lessened business activity, declining commodity costs, greater economy and thrift and decreased speculation are all combining to increase the supply of funds available for investment. As a logical sequence, it appears inevitable that money rates must decline and that the prices of good bonds must increase.

Analytical investors, appreciating that the present attractive bond rates may not long be available, are seeking, through the purchase of long term bonds, to assure themselves of the benefits of prevailing rates for as long a time as possible.

In like manner, careful investors are turning, in an increasing degree, to public utility bonds. The demand for the services of such companies is affected relatively little by changing business conditions; they have little or no inventory or credit losses to write off; their rates have been very generally increased, and operating costs, due

to declining prices of labor and materials, are now tending toward lower levels.

The bonds of public utility companies which successfully met the difficult conditions of the war and post-war period—conditions such as it is unlikely that they will ever again be called upon to face—may well be regarded as seasoned securities worthy of the confidence of the most conservative investor.

The Empire District Electric Company is an example of a company which not only successfully withstood the difficulties of this period, but made actual progress. Gross and net earnings increased in the last six years 210% and 90%, respectively. For the twelve months ended October 31, 1920, gross earnings were reported as \$2,532,939; net earnings, \$663,222. Annual interest requirements on the total mortgage debt, including this issue, are \$327,965.

These bonds are the mortgage-secured obligations of this company, which serves electricity for light and power to an area of approximately 1,000 square miles and a population of about 100,000, centering about Joplin, Missouri—a territory rich in agricultural and mineral resources and offering a large and diversified demand for power.

Further details regarding these bonds, which we recommend and offer after careful investigation prior to our own purchase, are contained in a complete descriptive circular, a copy of which will be supplied upon request.

Halsey, Stuart & Co., Inc. Land Title Bldg. Philadelphia

Arthur Perry & Co. 19 Milk Street Boston

SOME FINANCIERS THINK A VOLCANIC BUSINESS ERUPTION IS IMMINENT

AND THAT FINANCIAL CREDITS WILL BE SHOT TO PIECES

IT'S not the first time it has happened. A period of slow payments and bankruptcies usually follows that of unusual business activity, labor independence and high prices.

When the tide turns look out for trouble. Then's when you need something more than mercantile ratings and commercial assurances.

The "London" guarantees you against loss. It eliminates credit worries, assumes your losses, pays promptly and without quibble. Better investigate and protect yourself now rather than have regrets later.



LONDON GUARANTEE AND ACCIDENT COMPANY LTD. R. A. IRVING, General Agent

Tractions and Public Utilities

A description of the situation and position of these groups, together with the benefits or effects impending trends may have on the important companies are discussed in the current issue of

The Kardos & Burke Review

Read by investors and business men throughout the country—Copy will be sent free upon request for No. 135

Kardos & Burke STOCKS AND BONDS

1424 Walnut St., Philadelphia New York Chicago Direct Private Wire

We are interested in Tennessee Power Co.

5s—1962 Portland Ry., Light & Power Co. 5s—1942

Caddo Oil & Refining Co. 6s—1927

E.W. Clark & Co. BARRERS

Members New York and Philadelphia Stock Exchanges

321 Chestnut St., Philadelphia

UNITED GAS IMP. 8s, 1923

BOENNING, GARRISON & CO. STOCK EXCHANGE BUILDING

ACCOUNTANT AVAILABLE

Thorough, modern office executive, developer of efficient office systems, former correspondent, long experience with large corporation. Salary \$3000. Ave 51, Box 3-395, Ledger Office.

Present Opportunities In Conservative Investments

THE price of bonds is determined largely by purchasing power of the interest return from them, and by the demands for money for industrial expansion. In the past months the prices of basic commodities have fallen and the purchasing power of the interest from bonds has risen.

But the price of bonds has not yet increased in proportion. It is our belief that the price of conservative securities will advance.

In the current issue of "Cassatt Offerings" are listed conservative securities which we believe are worthy of your consideration for the investment of your funds.

ASK FOR CIRCULAR K-6

CASSATT & CO.

Established 1872 COMMERCIAL TRUST BLDG., PHILADELPHIA

NEW YORK BALTIMORE — PITTSBURGH — SCRANTON

Rather Unusual

We offer an investment that possesses the following features:

- 1. Total fixed charges earned eight times over.
2. Joint obligation of six companies.
3. Coupon rate 8%.
4. Can be bought to yield 9.70%.
5. Has a strong Sinking Fund.
6. Convertible into 8% Preferred Stock.
7. Readily Marketable.

Would You Like to Hear More About It?

Frederick Peirce & Co.

BONDS FOR INVESTMENT 1421 Chestnut Street, Philadelphia

Specialists in OHIO MOTOR, RUBBER AND STEEL SECURITIES

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