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Yenching
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Porter, James W. -
Annuity 1929-1936

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C O P Y

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file*

SHERMAN M. GOBLE

October 15, 1929.

TRANSFER

Trustees of Yenching University,
150 Fifth Avenue,
New York City.

Gentlemen:

For many years Mr. James W. Porter has planned to make a gift to the University, and last February put into my hands sufficient securities to provide for a sum of \$100,000.00 to be given as an endowment, the income after his death to be expended as may be determined by President Stuart, Rev. Lucius C. Porter and Lillian D. Porter (Mrs. Lucius C. Porter).

The income during Mr. James W. Porter's life is to be paid to me as Trustee for him, at a rate of interest to be in accordance with your conditional gift plan, based on the age of the donor.

Mr. James W. Porter was born February 23, 1838, and is therefore now in his ninety second year.

Undoubtedly Mr. Lucius C. Porter has talked with Dr. Stuart about such a gift from his Uncle, but since Mr. Porter's health has precluded any definite consultation with him until the fore part of this month, the matter has had to await Mr. Porter's returning strength.

If you will advise me what his income will be on such a gift during his life time, give me a copy of the minutes of your Board of Directors, authorizing such a plan to be completed, when gift is made, I will be glad to have transferred to the Board of Trustees sufficient stock of the Capital stock of the Continental-Illinois Bank & Trust Co., of Chicago, Ill., to equal a sum of \$100,000.00.

This gift when completed will take the place and be in lieu of any proposed gifts mentioned by Rev. Lucius C. Porter or Mr. James W. Porter previous to this time.

It became necessary to Trustee all of Mr. Porter's estate in order that there might be an active and authorized person or body to deal for him without taxing Mr. Porter's strength by consultation or details of carrying out his plans, plans premeditated for some years back. Consequently I am now acting with such authority and I explain at this length in order that you may know why it has not been done before. Now that the cares and thought and details of such authority have been completed and removed from Mr. Porter's mind, he is improving in health and strength.

I spent two weeks with him this month and found him much stronger and better although he has, through all his illness, retained his interest and keenness in all that was going on while we were trying to care for him and aid him to carry out his intentions.

09 12

SHERMAN M. GOBLE

Trustees of Yenching University #2

October 15, 1929

Awaiting your reply, I am

Yours very truly,

(signed) Sherman M. Goble,
105 W. Adams St.,
Chicago,

09 13

TRANSFER

October 18, 1929

Mr. Sherman M. Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr. Goble:

We gratefully acknowledge receipt of your letter of October 15 telling of the great generosity of Mr. James W. Porter in directing that a sum of \$100,000 be given to Yenching University on the conditional gift plan.

A meeting of the Board of Trustees of Yenching University will be held on the afternoon of November 6. At that meeting I will report Mr. Porter's intention and will ask the Board to take formal action accepting the gift. There are certain items in connection with the acceptance of such a gift as this on which the Board will wish to take definitive action so I will not attempt at this time to state the exact conditions under which the gift will be accepted. I am confident, however, that the Trustees will take action in the way that will be fully satisfactory to Mr. Porter. I will write you again immediately after the meeting on November 6.

We all rejoice to learn of the improvement in Mr. Porter's health and strength.

Very sincerely yours,

Secretary

BAG-H

CC: Promotional Office

09 14

BENJAMIN B. McALPIN, COUNSEL
TALBERT W. SPRAGUE
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

SPRAGUE, MERLE-SMITH & SMART

COUNSELLORS AT LAW

57 WILLIAM STREET

NEW YORK

TELEPHONE: JOHN 5330
CABLE ADDRESS: "SMARVAN"

26 October 1929

Mr. B. A. Garside,
Secretary-Treasurer, **TRANSFER**
Yenching University,
150 Fifth Avenue,
New York City.

Dear Mr. Garside:

I have your letter of October 21st enclosing a letter from Mr. Sherman M. Goble of October 15th, a tabulation of annuity rates, and a form of annuity agreement.

The form of the agreement is, in my opinion, entirely satisfactory from the point of view of the Trustees of Yenching University. If I were representing Mr. Porter, I think I would request certain changes for his benefit. I think I would send the agreement to Mr. Goble in the form you enclose. If he desires that certain changes be made, we can then consider them.

I think 9% should be agreed upon as the rate of the annuity in view of the fact that Mr. Porter is 92 years old.

As to a resolution, I should suggest merely stating as a preamble that Mr. Goble's letter was presented at the meeting, and after discussion, upon motion duly made, seconded and unanimously carried, the Acting President and Secretary of the Corporation were authorized and directed to execute, on behalf of the Corporation, an annuity agreement in the form hereto annexed, and to deliver the same upon receipt of the sum of \$100,000.

Very truly yours,

Van S. Merle-Smith _{1/R}

VSM-S:ER
Dictated but not read
by Mr. Merle-Smith.

09 15

RECEIVED
JAN 10 1961
U.S. AIR FORCE
JOINT STAFF

09 16

RESOLUTION OF BOARD OF TRUSTERS, YENCHING UNIVERSITY
RELATIVE TO ANNUITY GIFT OF JAMES W. PORTER

Meeting of November 6, 1929

Upon motion duly made, seconded, and unanimously carried, it was

T-2679 VOTED, that the proper officers of the Corporation be and they hereby are authorized to execute on behalf of the Corporation a contract in the form approved by the counsel of the Corporation which shall provide either (a) that the Corporation shall agree upon receipt of \$100,000. from James W. Porter to pay eight and one-half per cent per annum to James W. Porter during his life, and after his death to hold the principal then remaining of the fund so received as part of the endowment of the University, or (b) that the Corporation shall agree upon the receipt of \$100,000. from James W. Porter to pay five and one-half per cent per annum to said James W. Porter during his life, and to hold the entire principal amount of said fund, namely \$100,000. as part of the endowment of the University; the said James W. Porter to elect as between (a) and (b) hereinabove provided as to the provisions to be contained in said contract.

T-2680 VOTED, that the proper officers of the Corporation be and they hereby are authorized to arrange for the sale of the securities received from James W. Porter under the contract hereinabove authorized, and to reinvest the proceeds in securities approved by the Committee on Finance, Property, and Investment.

YENCHING UNIVERSITY

(Incorporated 1889 as Peking University)

燕 京 大 學

PEKING, CHINA

Christian — International — Co-educational

AMERICAN OFFICE

150 FIFTH AVENUE
NEW YORK CITY

OLIN D. WANNAMAKER
Assistant to the President

OFFICERS OF THE TRUSTEES

FRANKLIN H. WARNER, *President*
WILLIAM P. SCHELL, *Vice-President*
MRS. J. M. AVANN, *Vice-President*
E. M. MCBRIER, *Treasurer*
ERIC M. NORTH, *Assistant Treasurer*

B. A. GARSIDE
Secretary and Assistant Treasurer

OFFICERS OF THE UNIVERSITY

J. LEIGHTON STUART
President

WU LEI-CHUAN
Vice-President

CHESTER E. JENNEY
Executive Secretary

THIS IS TO CERTIFY that the Board of Trustees of Yenching University on November 6, 1929, at a regularly called meeting and with a quorum present, passed the following action which is still in full force and effect:-

"VOTED, that the proper officers of the Corporation be and they hereby are authorized to execute on behalf of the Corporation a contract in form approved by the counsel of the Corporation which shall provide either (a) that the Corporation shall agree upon receipt of \$100,000. from James W. Porter to pay eight and one-half percent per annum to James W. Porter during his life, and after his death to hold the principal then remaining of the fund so received as part of the endowment of the University, or (b) that the Corporation shall agree upon receipt of \$100,000. from James W. Porter to pay five and one-half percent per annum to said James W. Porter during his life, and to hold the entire principal amount of said fund, namely, \$100,000. as part of the endowment of the University; the said James W. Porter to elect as between (a) and (b) hereinabove provided as to the provisions to be contained in said contract."

THIS IS FURTHER TO CERTIFY that the By-laws of the Trustees of Yenching University, Article II, contain the following provisions:-

"Section 3. The President of the Board shall preside at the meetings of the Board and shall discharge the duties which ordinarily pertain to that office. He shall sign, and shall execute, with the Secretary attesting, contracts and instruments authorized or issued by authority of the Board requiring his signature.

"Section 4. In the absence or disability of the President, the Vice Presidents, as designated by the Executive Committee, shall perform all the duties of the President. - - -"

THIS IS FURTHER TO CERTIFY that on April 11, 1929 the following were elected officers of the Trustees of Yenching University and at this date are continuing to hold office:-

Franklin H. Warner, President	Mr. E. M. McBrier, Treasurer
George G. Barber, Vice President	B. A. Garside, Secretary & Asst. Treas.
Mrs. J. M. Avann, Vice President	C. A. Evans, Asst. Secy. & Asst. Treas.

B. A. Garside
Secretary

09 18

STATE OF NEW YORK)SS
COUNTY OF NEW YORK)

Subscribed and sworn to before me in the City of New York
this eight day of March, 1930.

Caroline L. Lane
Notary Public

NOTARY PUBLIC, NEW YORK COUNTY
New York Co. Clerk's No. 495, Reg. No. 1126A
Certificate Filed in New York County
My Commission Expires March 30, 1931

09 19

TRANSFER

November 8, 1929

Mr. Sherman M. Gobie,
105 W. Adams St.,
Chicago, Ill.

My dear Mr. Gobie:

At the meeting of the Yenching Trustees on November 6 I presented your letter of October 15, telling of Mr. James W. Porter's generous proposal to make a gift of \$100,000 to Yenching University on an annuity basis. All those present expressed hearty appreciation of this further evidence of Mr. Porter's interest in Yenching, and the Board unanimously approved the following resolution:-

"VOTED that the Board of Trustees of Yenching University record its profound appreciation of Mr. James W. Porter's proposed gift of \$100,000 on an annuity basis, and that it request the Secretary to assure Mr. Porter of its gratitude for this new evidence of his continued interest in Yenching."

When the Board sought to formulate its acceptance of Mr. Porter's gift in terms which would be most satisfactory to him, it discovered it faced two alternatives:

(1) If the gift is accepted on the regular annuity basis the rate of income to which Mr. Porter would be entitled, based on the average rate allowed by the three major mission boards cooperating in Yenching University, would be 8½%. This is, of course, about 3% more than the income which would be derived from any sound securities in which this gift might be invested. As a result there would be a depreciation in principal beginning at the rate of approximately three per cent per year, and increasing slightly from year to year. As you know, the mission board annuity tables are built upon the assumption that the net value accruing to the Board from annuity gifts will average about seventy per cent of the amount of the initial gift. If Mr. Porter's gift is accepted on this basis the amount to be ultimately available for setting up a permanent endowment would, therefore, be \$100,000 less this depreciation of principal.

(2) If the gift is accepted on a modified annuity basis, wherein the full \$100,000 would be available for setting up a permanent endowment at any date in the future, the amount of income would then be only what can be secured

0920

Mr. S.M.Goble-2

11/8/29

from sound investments. The Trustees are willing to guarantee 5% income without depreciation of principal.

You will note from the attached copy of the Trustees' action on this matter that the Yenching Board has authorized the acceptance of Mr. Porter's gift on either of these alternatives as may be acceptable to him. Should he prefer some modification of either plan, or some different plan, I know the Board would be happy to give further consideration to the matter.

I enclose also for your information a copy of a tentative draft for the formal agreement between Mr. Porter and the University. This draft follows in general the form used by several of our mission boards. We would be glad to have your judgment on whether this form of agreement will be satisfactory to Mr. Porter. Please feel free to offer criticisms and to suggest amendments.

I trust that we may now be able, within the near future, to complete these details in a manner thoroughly satisfactory to Mr. Porter.

Very sincerely yours,

Secretary

BAG-H

Enc.

0921

11-8-29

from sound investments. The Trustees are willing to guarantee 5% income without depreciation of principal.

You will note from the attached copy of the Trustees' action on this matter that the Yenching Board has authorized the acceptance of Mr.Porter's gift on either of these alternatives as may be acceptable to him. Should he prefer some modification of either plan, or some different plan, I know the Board would be happy to give further consideration to the matter.

I enclose also, for your information, a copy of a tentative draft for the formal agreement between Mr.Porter and the University. This draft follows in general the form used by several of our missions boards. You will note that in respect of the determination of the disposition of the income by President Stuart, Rev.Lucius C.Porter and Lillian D.Porter, the agreement was so drawn that the University shall have general power to utilize the income for its proper purposes unless specific instructions are received from the three named persons. The purpose of this is, of course, to avoid possible difficulties in the event that the named persons should die or fail to transmit their instructions. We would be glad to have your judgment as to whether this form of agreement will be satisfactory to Mr.Porter. Please feel free to offer criticisms and suggest amendments.

As it would seem advisable for the University, in the event of receiving bank stock of low income yield, to sell the securities and reinvest the proceeds, it would probably be wise, if and when Mr.Porter is prepared to make his gift, for you to arrange that the securities be sold for the account of the University and the proceeds transmitted to this office. We are advised that such a sale made by you for the account of the University will be legally equivalent under the Income Tax Law to a gift of the securities to the University.

I trust that we may now be able, within the near future, to complete these details in a manner thoroughly satisfactory to Mr.Porter.

Very sincerely yours,

BAG-H

Secretary

Enc.

0922

BENJAMIN B. McALPIN, COUNSEL
TALBERT W. SPRAGUE
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

SPRAGUE, MERLE-SMITH & SMART
COUNSELLORS AT LAW
57 WILLIAM STREET
NEW YORK

TELEPHONE: JOHN 5330
CABLE ADDRESS: "SMARVAN"

8th November 1929

Yenching University - Porter Annuity.

Mr. B. A. Garside,
Secretary-Treasurer,
Yenching University,
150 Fifth Avenue,
New York City.

TRANSFER

Dear Mr. Garside:

I have examined your proposed letter of November 8th to Mr. Goble and have no suggestions to make other than to advise including the following paragraphs in place of the last two paragraphs on the second page of your letter:

"I enclose also, for your information, a copy of a tentative draft for the formal agreement between Mr. Porter and the University. This draft follows in general the form used by several of our mission boards. You will note that in respect of the determination of the disposition of the income by President Stuart, Rev. Lucius C. Porter and Lillian D. Porter, the agreement was so drawn that the University shall have general power to utilize the income for its proper purposes unless specific instructions are received from the three named persons. The purpose of this is, of course, to avoid possible difficulties in the event that the named persons should die or fail to transmit their instructions. We would be glad to have your judgment as to whether this form of agreement will be satisfactory to Mr. Porter. Please feel free to offer criticisms and suggest amendments.

"As it would seem advisable for the University, in the event of receiving bank stock of low income yield, to sell the securities and reinvest the proceeds, it would probably be wise, if and when Mr. Porter is prepared to make his gift, for you to arrange that the securities be sold for the account of the University and the proceeds transmitted to this office. We are advised that such a sale

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Mr. B. A. Garside.

8th November 1929

made by you for the account of the University will be legally equivalent under the Income Tax Law to a gift of the securities to the University.

"I trust that we may now be able, within the near future, to complete these details in a manner thoroughly satisfactory to Mr. Porter.

Very sincerely yours,"

I enclose also an amended draft of the proposed agreement between Mr. Porter and the Trustees of Yenching University. I think the agreement in the suggested form would cover the matter in accordance with the wishes of Mr. Porter as expressed in Mr. Goble's letter of October 15th. If there is anything more you wish me to do, please let me know.

Very truly yours,

Van S. Mark Smith

VSM-S:ER
ENCLOSURES.

0924

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JUL 1 1929
JOINT OFFICE

0925

YENCHING

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

November 11th. 1929.

Mr. B. A. Garside,
c/o Yenching University, **TRANSFER**
150 Fifth Ave.,
New York City.

Dear Sir:-

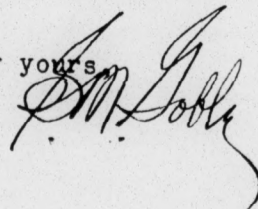
Thank you for your letter of the 8th. Inst. and for the enclosure. I believe that I shall make the gift for Mr. James W. Porter, on the regular annuity basis. The terrific slump in the stock market has temporarily affected the Bank stocks and I shall await a more favorable opportunity to complete the gift until I can get for you a better price than those prevailing now. I am very desirous of getting the matter out of the way however and shall not delay it any longer than is best under the then existing conditions.

Of course Mr. Porter is well along in years and can not be expected to live for many years. Being ninety two his next birthday and being desirous of getting the most I can for him to live upon in his remaining time, I shall undoubtedly decide on the regular annuity plan.

I shall send you two copies of the agreement signed by me and accompanied by the stock certificate in your name. All you will have to do is to sign the two copies, send one to me, keeping one for your own files send back with the signed agreement a certified copy of your minutes of your Board showing the action by the board and the matter will be complete. It is understood however that I may choose the time to make the gift, in order that I may make due allowance for the present price slump in the market. There is no question about the value of the bank stock. I am a holder of it in my own personal name as well as trustee for others and I am convinced that the price of the stock eventually will be very much higher.

Since you desire however to have the Bank stock sold it will be necessary for you to give me proper authority to sell it after it is Transferred to your name. To do this I shall send you with the stock a regular form which the Brokerage houses here require and then you can hand it to your regular broker who can sell it or you can send the authorization with the stock certificate back to me and I can sell it through my brokers here for your account. As soon as it seems wise to complete the matter I will do so, giving you in detail the proper papers. I trust that the conditions may be such soon to permit me to entirely clean up the matter.

Sincerely yours



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YENCHING

SPRAGUE, MERLE-SMITH & SMART

COUNSELLORS AT LAW

57 WILLIAM STREET

NEW YORK

BENJAMIN B. McALPIN, COUNSEL
TALBERT W. SPRAGUE
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

TELEPHONE: JOHN 5330
CABLE ADDRESS: "SMARVAN"

TRANSFER

13 November 1929

Mr. B. A. Garside,
Secretary-Treasurer,
Yenching University,
150 Fifth Avenue,
New York City.

In State Department of Education

Dear Mr. Garside:

Thank you for your letter of November 13th enclosing the necessary papers to complete the petition to the Board of Regents for the amendment of the charter. I am sending two duplicate originals and two copies to the Board of Regents today. I am enclosing herewith one copy signed by Mr. Barber for your files.

As to Mr. Goble's letter regarding the Porter annuity agreement, -- the letter is rather mixed up but I entirely agree with you that the sale should be made by Mr. Goble. I see no reason why he should send the stock certificate to us and then have us return it with a stock power so that he might sell it. We can either send him the stock power ahead of time if it is necessary, or, otherwise, he can sell the stock for the account of the University without endorsing it over to the University so as to require a stock power to endorse it to the purchaser. I think the best thing for me to do is to write a letter to Mr. Goble explaining the situation and send a copy to you. I will tell him that we will send him one duplicate original of the signed agreement and a certified copy of the Minutes of the Board. This, of course, will not be done until he has sent us the two duplicate originals signed by him in behalf of Mr. Porter.

Very truly yours,

Van S. Merle-Smith

VSM-S:ER
ENCLOSURE.

0928

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THE UNIVERSITY OF CHICAGO
DEPARTMENT OF THE HISTORY OF ARTS
OFFICE OF THE CURATOR
OF THE MUSEUM OF ARTS
AND ARCHITECTURE
CHICAGO, ILLINOIS
U.S.A.
RECEIVED
UNIVERSITIES
NOV 14 1929
OFFICE

13 November 1929

Sherman M. Goble, Esq.,
105 West Adams Street,
Chicago, Illinois.

My dear Mr. Goble:

Your letter of November 11th addressed to Mr. B. A. Garside, Secretary of the Trustees of Yenching University relative to the details of the consummation of the gift by Mr. James W. Porter has been referred to me as counsel for the Corporation.

I understand that on behalf of Mr. James W. Porter you have decided to make the gift in accordance with the regular annuity plan which will yield $8\frac{1}{2}\%$ yearly to Mr. Porter during his life. I understand further, that you will send Mr. Garside two originals of the agreement signed by you on behalf of Mr. Porter. I will instruct Mr. Garside, upon receipt of the two originals of the agreement, to send you one of the originals properly executed and a certified copy of the pertinent resolution of the Board.

In respect of the transfer of the stock, you appreciate that under present market conditions there might be a material change in the market price of the stock while the certificates are in transit to us. It would seem better for you to sell the stock for account of the University. It would not be necessary to endorse the stock certificates in the name of the University. After the sale, the certificates can be transferred direct to the purchaser by you as attorney for Mr. Porter. This is the general custom here, and the income tax authorities accept the transaction as a donation of stock to the beneficiary institution. We can send you a formal receipt for the stock after its sale if you desire it for your records. Ordinarily, when stock endorsed in blank is offered here for sale for the account of another, formal authority from the person or corporation for account of whom the stock is sold

0930

11/13/29

Sherman M. Goble, Esq.

is not required. However, if such authority is required, please let me know and we will forward the necessary authority by letter or by wire.

With much appreciation of your trouble and care of the matter, I am

Very truly yours,

VSM-S:ER

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11/13/39

Sherman M. Goble, Esq.

is not required. However, if such authority is required, please let me know and we will forward the necessary authority by letter or by wire.

With much appreciation of your trouble and care of the matter, I am

Very truly yours,

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FBI - NEW YORK

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YENCHING

TRANSFER

November 14, 1929

Mr. Sherman M. Goble,
105 West Adams Street,
Chicago, Ill.

My dear Mr. Goble:

Thank you for your letter of November 11.

I have handed a copy of your letter to Mr. Van Santvoord Merle-Smith, who is the counsel of our Yenching Board of Trustees, and have requested that he correspond with you direct in regard to the various legal matters in connection with the turning over to the University of Mr. Porter's annuity gift. Mr. Merle-Smith has kindly send our office a copy of the letter he wrote you under date of November 13.

Our office will be glad to go forward along the lines indicated in Mr. Merle-Smith's letter. As soon as we receive the copies of the agreement signed by yourself I will arrange for having the proper signatures affixed and will return one copy of the agreement to you along with a certified copy of the minute of the Yenching Board covering Mr. Porter's gift.

Thanking you for your interest and for your trouble, I am

Very sincerely yours,

Secretary

BAG-H

CC: Mr. Merle-Smith

0933

YENCHING

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

INDEXED

November 19th. 1929.

TRANSFER

Mr. B. A. Garside,
150 Fifth Avenue,
New York.

Dear Mr. Garside:-

I have just sent a letter to Mr. Van S. Merle-Smith stating that I was unable to complete the gift on behalf of Mr. James W. Porter at this time, because there had been a serious slump in the market. Of course the good stocks went down with the poorer ones and Banks suffered in the depreciation of their stock. I have not given up the gift however simply postponed it and I am sorry that it is necessary to do this because I had hoped to complete the Agreement with the University under the regular annuity plan. I will write you again in a few days sending you the necessary form for sale of securities, which is required here by the transfer offices and the banks, and the brokers, before selling stock.

I have done this so many times that I know that it has to be done in a prescribed way. Regretting that I am compelled to postpone the action for the present I remain,

Cordially yours,

S. M. Goble

0934

RECEIVED
UNIVERSITIES
NOV 21 1929
JOINT OFFICE

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C
O
P
Y.

Sherman M. Goble

November 19th. 1929.

Mr. Van S. Merle-Smith,
57 William Street,
New York.

Dear Sir:-

The recent slump in the stock market has seriously affected all stocks. The lower value makes it unwise at this time to dispose of the securities. I shall therefore await a more favorable opportunity of making the gift on behalf of Mr. James W. Porter to Yenching University. I am sorry that this is necessary for I had hoped to complete the Annuity agreement with the Trustees. That agreement I shall want to modify a trifle when the agreements are ready for signature.

I shall transfer the securities to the Trustees when I make the gift, and the price of stock will be the price bid as of the day of the agreement. That is the way I made other gifts for Mr. Porter. The transfer offices here require a certain signed authority and the brokers here will not sell for a corporation without such authority. I shall get such an authority and forward the same to Mr. Garside so that he will have time to get it properly executed and accompanied by a certified copy of the resolution of the Board authorizing the sale of securities. This sale can be made here on behalf of the Trustees either by me or their broker here, or it could be made through Russell Brewster & Co's office in New York. The firm has offices in both cities and have also private wires between here and New York.

For the present however I shall have to await a better market for the securities. The banks have had a very profitable year and the price of stocks of Banks will go higher.

Sorry I can not complete the gift at this time as I had hoped to get the income for Mr. Porter under the annuity plan.

Very truly yours.

S.M.GOBLE

0936

YENCHING

SPRAGUE, MERLE-SMITH & SMART

COUNSELLORS AT LAW

57 WILLIAM STREET

NEW YORK

BENJAMIN B. McALPIN, COUNSEL
TALBERT W. SPRAGUE
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

TELEPHONE: JOHN 5330
CABLE ADDRESS: "SMARVAN"

INDEXED

TRANSFER

21 November 1929

Mr. B. A. Garside,
Secretary-Treasurer,
Yenching University,
150 Fifth Avenue,
New York, N. Y.

My dear Mr. Garside:

Herewith copy of letter today received
from Mr. Sherman M. Goble, same being for your
information and records.

Very truly yours,

Van S. Merle-Smith

VSM-S:ER
Encl.

0937

RECEIVED
UNIVERSITIES
NOV 22 1929
JOINT OFFICE

0938

YENCHING

TRANSFER

Yenching University

November 25, 1929

Mr. Sherman M. Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr. Goble:

Thank you for your letter of November 19 in regard to
Mr. James W. Porter's annuity gift to Yenching University. Mr. Merle-
Smith has also sent me a copy of your letter to him of the same
date.

We are sorry that the recent slump in the market neces-
sitates the postponement of this generous gift from Mr. Porter but
quite appreciate the factors to which you call attention.

As soon as the form for the sale of securities has been
received by our office we will take up at once the steps neces-
sary to effect its execution and return to you.

Very cordially yours,

BAG-H

CC: Promotional Office

0939

4

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

February 24, 1930

TRANSFER

Yenching University,
150 Fifth Ave.,
New York City

Attention: Mr. B. A. Garside

Gentlemen:

Enclosed is an agreement which is in the final form as I should like to have it for the gift of Mr. James W. Porter to the University. I have left out one of the paragraphs suggested in Mr. Garside's letter of November 8, 1929 because it is unnecessary. The heirs have already given me a waiver of any objections to this gift, and again the agreement is an outright gift to the University for the purposes therein stated and they become the sole owner of the stock. I have made the gift terms on the regular annuity plan and it is not obligatory on the Trustees to make good any deficit that may arise due to the fact that the income from the endowment is not equal to or greater than the annuity paid Mr. Porter during his life time. That is a chance that Mr. Porter assumes if he should live any great length of time. He is now ninety two years of age and his expectancy is not a very great length of time although it may prove a few years yet. I should like to have the agreements signed just as they are without putting in the number of shares of Bank stock or cash at this time as the market fluctuates somewhat. My own opinion and that of those who ought to know in the Bank is that the stock will appreciate very much in value within the next year. I want you to trust me to fill in the amounts of shares and cash at the time I send the stock to you. I shall have the stock transferred to your name and it is my earnest desire now to complete the transaction as soon as possible.

I should like a certified copy of the minutes of the meeting in which the Board takes its action accepting this gift for my files to be filed away with my copy of the Agreement. When you have signed this agreement in blank if you will return both copies to me I will affix my signature, transfer the stock to the name you designate that you wish it taken out in, add the required amount of cash to make up the full amount of One Hundred Thousand Dollars and send your copy to you. If this is not satisfactory to you please advise me at once with your objections and I will adjust the matter.

Sincerely yours,

Sherman M. Goble

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BENJAMIN B. MCALPIN
JAMES LEE KAUFFMAN
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

MCALPIN, KAUFFMAN, MERLE-SMITH & SMART

COUNSELLORS AT LAW

57 WILLIAM STREET

NEW YORK

TELEPHONE: JOHN 5330
CABLE ADDRESSES:
"SMARVAN"
"KIVORLEE"

27 February 1930

Mr. B. A. Garside,
Yenching University,
150 Fifth Avenue,
New York, N. Y.

TRANSFER

Re: James W. Porter Annuity Agreement.

Dear Mr. Garside:

In reference to the papers you sent me in your letter of February 26th in connection with the above matter:

1. I see no serious objection to Mr. Goble's deleting the paragraph which provided that no obligation should exist to the heirs, executors, etc. of Mr. Porter. This paragraph was precautionary and I do not consider it really necessary.

2. Provided Mr. Goble is trustworthy, as I assume he is, I see no serious objection to sending him the agreement executed in blank, provided you write him that the agreement is not to become effective until the date on which the securities and cash are transferred to the Trustees of Yenching University, proper adjustment being made for accrued interest and dividends. If Mr. Goble should make a mistake either intentional or unintentional in respect of the number of shares transferred in order to make up the \$100,000., I believe that the University would have right to relief in equity. Apparently, Mr. Goble desires this favor in order that he may transfer the shares at the top of the market. This may cause us some little loss pending the time we can arrange for the sale of the securities. However, the bank he mentions and its securities are very good.

3. The only thing that worries me about the agreement is that he has changed the agreement to run to him as trustee. By my original draft, the obligation of Yenching University ran to Mr. Porter. My intention was that checks would be drawn to his order. We would, therefore, not assume any responsibility as to Mr. Goble's powers under the trust agreement he mentions. His authority to deposit checks drawn to Mr. Porter to

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Mr. B. A. Garside.

his account as trustee would be a matter between him and the bank. The agreement is now drawn to Mr. Goble as trustee. This is perfectly logical, but I think it necessitates our examining the trust agreement before executing the annuity agreement. By his form of the annuity agreement we are put on notice as to the trust agreement and might be liable to heirs or next of kin in the event that Mr. Goble was acting unintentionally without authority. I should therefore write Mr. Goble and say that the Trustees of Yenching University are ready and willing to agree generally to his suggestions, but that counsel has advised that in view of the fact that the annuity agreement as now drawn provides an obligation running to him as trustee, that we would appreciate a copy of the trust agreement for examination before executing the annuity agreement. You might also bring to his attention that the obligation runs to him personally as trustee with no provision for a successor.

4. I presume Mr. Goble will have no objection to the agreement being signed by the President and Secretary of the Corporation rather than by the Treasurer. The agreement therefore should be amended to provide for its execution in that manner, and when the certified copy of the resolution authorizing the action is sent to Mr. Goble, there should also be included a certified copy of that section in the By-laws which provides for the execution of contracts on behalf of the Trustees by the President or Acting President and Secretary.

Otherwise, the agreement seems to me to be in proper form.

Very truly yours,

Karl S. Mark Smith

VSM-S:ER

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YENCHING

INDEXED

March 1, 1930

TRANSFER

Mr. Sherman M. Goble,
105 West Adams Street,
Chicago, Ill.

My dear Mr. Goble:

We acknowledge with sincerest thanks your letter of February 24, with its enclosed duplicate copies of the annuity agreement covering the gift of Mr. James W. Porter. We are glad to know that it should now be possible to complete the transaction in the near future, and we will be glad to expedite this process.

Since the Yenching Board of Trustees asks our counsel to examine all legal documents as a matter of routine procedure, I have waited a day or two before replying in order to permit our counsel to go over the revised draft of the agreement and to check up on any technical questions involved. He finds the changes made, as outlined in your letter of February 24, are in general quite satisfactory. There are, however, two items to be noted before completing the execution of the agreement:-

1. The first item is purely technical one. The last paragraph of the agreement as now drawn provides for signature by the Treasurer of the Trustees, whereas the By-laws of the corporation state that such documents as this shall be executed by the President or Acting President of the Trustees, with the Secretary attesting. As a matter of fact, our Treasurer is now returning from a trip to the Orient, and would not be on hand to execute such a document for another month or so, even if the Trustees took special action giving him the necessary authority. The last paragraph of the agreement should, therefore, be revised to read

"IN WITNESS WHEREOF, said Trustees of Yenching University have caused this instrument to be executed in its name by its Acting President, duly authorized to accept....." etc.

Provision should be made for signature by the Acting President of the Trustees and attest by the Secretary. In the certification of the Secretary at the end of the document the words "Treasurer of Yenching University" should be changed to "Acting President of the Trustees of Yenching University".

If you wish, our office will be glad to retype the annuity agreement, inserting these corrections.

0945

S.M.Goble-2

3-1-30

2. In view of the fact that the annuity agreement as now drawn provides an obligation running to yourself as trustee, our counsel has suggested that we should have on hand, ~~the~~ complete our records in this transaction, a copy of the trust agreement of October 7, 1929, referred to in the revised annuity agreement.

As soon as these two details are cleared up, I trust we shall at once be able to complete the execution of the annuity agreement.

With sincere appreciation of the care you are giving this matter, I am

Very cordially yours,

BAG-H

Secretary

0946

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

March 4, 1930.

Yenching University,
150 Fifth Ave.,
New York City.

Attention: Mr. B. A. Garside.

Gentlemen:

TRANSFER

Referring to your letter of the 1st inst., I am enclosing copy of the Trust Agreement between Mr. James W. Porter and myself, as Trustee. I have omitted certain reference to the amount and kind of securities that I received as Trustee, certain gifts mentioned in the Trust to be made by me and the disposition of the residue after Mr. James W. Porter's death. This is confidential information which I have no authority to give out, nor would I give it out if I had the authority. I think you can readily see my reasons for withholding this information. I am certain that what I do show is all that your Attorneys have any reason to ask or demand.

The changing of the item in the agreement I sent to you making provision for the execution of the agreement by your Officials, is all right and you may retype the agreement with this change.

Very truly yours,

Sherman M. Goble

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Attached to S.M. Goble's letter of March 4, 1930

THIS INSTRUMENT, made this 7th day of October, 1929, between JAMES W. PORTER, as Settler, hereinafter called the Trustor, as party of the first part, and SHERMAN M. GOBLE, hereinafter called the Trustee, as party of the second part, WITNESSETH as follows:

SECTION ONE: The Trustor, for and in consideration of One Dollar (\$1.00) to him in hand paid, hereby transfers, assigns and conveys unto the Trustee the following described securities and property, as Fund No. 1: *

TO HAVE AND TO HOLD said securities and property, together with any additional property, either real or personal, that may hereafter be transferred and conveyed to the Trustee or in any manner added to the trust estate, subject to the following trusts, purposes and conditions:

SECTION TWO: Said Trustee shall have full power to sell, transfer, pledge and assign any personal property which may at any time be in his hands as Trustee hereunder, and said Trustee shall also have full power to lease, improve, sell, mortgage and convey any real estate which shall at any time be in his hands as Trustee hereunder, and any lease that may be made by said Trustee may be for any period, even though it extends beyond the expiration of this trust. Any sale of any portion of said trust estate, whether real or personal, may be made at such price and upon such terms as said Trustee may deem best, and no purchaser, mortgagee or lessee of any part of said trust estate shall be required to see to the application of the purchase or mortgage money or of rent paid to the Trustee. Said Trustee is fully authorized to invest such part of said trust estate as may be in cash or may from time to time be converted into cash in any income-producing property, real or personal, situated in any of the United States, said Trustee to have as wide

latitude in the selection and making of such investments as if he were the absolute owner of the trust property. Said Trustee may hold, so long as he shall deem it advisable and for the benefit of the trust estate so to do, any of the property hereby transferred to the Trustee by the party of the first part or hereafter transferred or conveyed by him to the Trustee, and the Trustee may make all contracts and do all things which in his opinion are necessary and proper to protect and render safe and secure the trust estate at any time in his hands as Trustee hereunder.

Said Trustee is expressly authorized to subscribe to and purchase for the trust estate any additional capital stock of any corporation in which the Trustee may from time to time hold any shares of the capital stock or in his discretion the Trustee may sell any rights to so subscribe for additional stock of any such corporation.

The Trustee is also fully authorized to pledge and hypothecate any of the securities belonging to the trust estate for the purpose of raising money for any purpose which in his discretion may be necessary or advisable for the benefit of the trust estate or for carrying out any of the purposes and provisions hereof.

SECTION THREE: In case any part of the property at any time belonging to said trust estate shall have been invested in bonds or other securities purchased above par the full net income therefrom shall nevertheless be paid and distributed as hereinafter provided to the beneficiary without deduction by reason of the fact that the same were so purchased above par. All stock dividends received by the Trustee on any shares of stock which may at any time form a part of the trust estate shall be considered as forming part of the principal of the same and not as a part of the income thereof. Otherwise, the decision of the Trustee as to what constitutes principal and what income, and as to what items shall be charged

to principal and what to income shall be conclusive.

SECTION FOUR: The Trustee shall be paid reasonable compensation for his services hereunder and shall be allowed to employ such agents and attorneys as are reasonably necessary in managing and protecting the trust estate, and their compensation, as well as the reasonable and proper expenditures made or incurred by the Trustee in administering the trust, shall be repaid to the Trustee out of the trust estate.

SECTION FIVE: The Trustee is hereby authorized and directed to pay and discharge out of the trust estate any and all obligations of the Trustor existing and outstanding at the date of the execution and delivery thereof, including both obligations incurred by the Trustor himself and those incurred by the party of the second part as agent of or on behalf of the Trustor, it being understood that there are outstanding at the time of the execution and delivery hereof such obligations of the Trustor and/or obligations incurred by the party of the second part as agent of or on behalf of the Trustor to the amount of approximately \$20000.00. All such obligations to be paid as aforesaid by the Trustee out of the trust estate may be paid by the Trustee either out of the income or the principal of the trust estate.

SECTION SIX: The Trustee shall pay the net income from the trust estate during the lifetime of the Trustor, to the Trustor, or as Trustor, who retains full power of disposition of such income, may from time to time direct, or shall expend said net income for the support, care and maintenance of the Trustor, and the Trustee is fully authorized in his discretion at any time or times to use such part of the principal as may in his judgment be necessary or advisable for the support, care and maintenance of the Trustor during his lifetime.

SECTION SEVEN: The Trustee shall, during the life of the Trustor, transfer, assign and convey or pay out in addition to the net income of the trust estate such portion or portions of the

principal of said trust estate to such charitable, educational or religious corporations, organizations and/or institutions as the Trustor may from time to time in writing direct, it being understood that the Trustor in creating this trust and entering into this agreement contemplates the transfer from the trust estate during his lifetime and under his direction of portions of the trust estate to such charitable, religious or educational corporations, organizations and/or institutions as he may designate in the manner above provided.

SECTION EIGHT: On the death of the party of the first part, the Trustee shall pay any and all funeral expenses and any expenses of the last illness of the Trustor, any estate or inheritance taxes that may be imposed upon the trust estate or the interests of any beneficiary hereunder and any estate or inheritance tax that would otherwise either be a lawful claim against the estate of the Trustor or against any person or corporation to whom the Trustor may in his lifetime have made any gift or advancement.

In addition to the foregoing, the Trustee is authorized and directed to pay out of the trust estate any and all claims that in the judgment of the Trustee would constitute valid claims against the estate of the Trustor.

SECTION NINE: The Trustee shall, after the payment of the items above enumerated, pay to the following named charitable, religious or educational corporations, organizations, and/or institutions, the sums as follows: *

Each of the foregoing gifts and benefactions is made pursuant to the acceptance by said Sherman M. Goble of the trusts hereby constituted.

In case the trust estate remaining after the payment of the items first above enumerated shall be insufficient to pay in full all of the above mentioned gifts, each of said gifts

shall be proportionately abated so that each of the above named beneficiaries shall receive that proportion of the net trust estate then remaining which the amount of the gift bears to the sum total of the above named gifts.

If at any time hereafter there shall have been paid to any of the above named beneficiaries either by the Trustee from the trust estate or by the Trustor himself any sum or sums, or if any property or securities shall have been given and transferred to any of said beneficiaries by the Trustee pursuant to the direction of the Trustor, or by the Trustor himself, then and in each such case, the amount thus given to such beneficiary, or the value, taken at the time of the gift, of any securities or property thus transferred to any of said beneficiaries shall be treated as an advancement and shall be deducted from the amount above directed to be paid to each such beneficiary.

As provided in the preceding paragraph Section Seven, the Trustor reserves the right to make and declare in his lifetime further portion or portions of the principal of said trust estate to such charitable, educational or religious corporations or organizations and/or institutions as the Trustor may from time to time in writing direct. The Trustor further declares that all such further trusts shall take precedence of any trusts hereinafter declared for the benefit of private individuals.

Subject to the foregoing trusts and reservations, if after the payment of the charitable, religious and educational trusts hereinbefore declared or made pursuant to the reservations above set forth there then remains of the trust estate hereby created any remainder, then and in that case I direct that my said trustee pay over the same as follows: *

SECTION TEN: In case of the death, resignation or inability to act as Trustee hereunder of said party of the second part, CONTINENTAL ILLINOIS BANK AND TRUST COMPANY, an Illinois corporation, or its corporate successor, is hereby designated Trustee hereunder and such successor in trust shall have all of the powers, including discretionary powers, hereinabove conferred upon the party of the second part.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

(Signed) JAMES W. PORTER (SEAL)
Trustor

(Signed) SHERMAN M. GOBLE (SEAL)
Trustee

WITNESSES:

Julia A. Clark

Henrietta F. Fitz Gerald

STATE OF CALIFORNIA, }
County of San Diego } ss.

On this 7th day of October, 1929, before me, E. C. UPP, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared JAMES W. PORTER, known to me to be the person described in and whose name is subscribed to the within instrument, and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal at my office in said County and State the day and year in this certificate first above written.

(Signed) E. C. UPP
Notary Public in and for the County
of San Diego, State of California.
(S E A L) My commission expires March 16, 1931.

YENCHING

TRANSFER

Yenching University

March 7, 1930

Mr. Van Santvoord Merle-Smith,
57 William Street,
New York, N.Y.

My dear Mr. Merle-Smith:

I am sending you herewith a letter just received from Mr. Goble, together with a copy of the trust agreement between Mr. Porter and Mr. Goble which I requested several days ago in accordance with your suggestion.

For your convenience I am also enclosing herewith a copy of the annuity agreement covering Mr. Porter's \$100,000 gift as revised by Mr. Goble.

When you have had an opportunity to study this trust agreement I would appreciate it if you would let me know whether you consider that we are justified in executing this annuity agreement as drawn with, of course, the minor alterations to correct the names of the officers of the Yenching Trustees authorized to accept the gift.

When you have finished with this copy of the trust agreement will you please return it at your convenience to be placed in our Yenching files?

Very cordially yours,

BAG-H

Enc. 5

0955

BENJAMIN B. MCALPIN
JAMES LEE KAUFFMAN
VAN SANTVOORD MERLE-SMITH
PAUL HURLBURT SMART

MCALPIN, KAUFFMAN, MERLE-SMITH & SMART
COUNSELLORS AT LAW
57 WILLIAM STREET
NEW YORK

TELEPHONE: JOHN 5330
CABLE ADDRESSES:
"SMARVAN"
"KIVORLEE"

7th March 1930

Re: James W. Porter Annuity Agreement.

Mr. B. A. Garside,
Secretary-Treasurer,
Yenching University,
150 Fifth Avenue,
New York, N. Y.

Dear Mr. Garside:

TRANSFER

I have your letter of March 7th regarding the
Porter Annuity Agreement.

I have examined the Trust Agreement and I am
of the opinion that the Trustee has a right to make the
gift on behalf of Mr. Porter upon instructions in writ-
ing from Mr. Porter. Mr. Goble has stated that he has
received authority to make the gift and in addition that
he has obtained the consent of Mr. Porter's heirs. It
is also stated in the Annuity Agreement that Mr. Porter
has caused the gift to be made. It would appear further
that Mr. Goble as Trustee has implied authority to enter
into such an agreement as the Annuity Agreement proposed,
and to receive the annuity payments under such an agree-
ment as Trustee for Mr. Porter.

We cannot be absolutely sure of Mr. Goble's
authority to make the gift without having submitted to
us the written authority from Mr. Porter. However, I
think we can rely on the fact that Mr. Goble has in his
own interest taken all necessary precautions to comply
with the provisions of the Trust Agreement, and that it
would be inadvisable to ask him for any more written
proofs. In the circumstances, therefore, I should ad-
vise the Trustees of Yenching University to authorize
the execution of the Annuity Agreement and its delivery
to Mr. Goble with the amounts left blank provided the
executed agreement is sent with a letter which states
that it is sent on the understanding that if the deliv-
ery of the securities is not made on or prior to April
1st, 1930, that the amount of the first annuity payment
due on July 1st will be adjusted.

Very truly yours,

Van S. Merle-Smith

VSM-S:ER

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MAR 8 - 1930

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YENCHING

TRANSFER

March 8, 1930.

Mr. Sherman M. Goble,
105 West Adams Street,
Chicago, Illinois.

My dear Mr. Goble.

Let me acknowledge your letter of March 4th. We are grateful to you for sending us a copy of the Trust Agreement between Mr. Porter and yourself.

Our counsel went over the Trust Agreement, and now gives his approval to the execution of the annuity agreement in the form you transmitted it on February 24th. I have had the annuity agreement retyped to correct the titles of the officers authorized to sign on behalf of the Trustees of Yenching University, and return you herewith two copies of this agreement executed by the Acting President of the Trustees and attested by myself as Secretary.

I also enclose a notarized certification giving the action of the Yenching Trustees on November 6th, 1929, approving the execution of this annuity agreement, excerpts from the by-laws showing who is authorized to sign such documents, and a list of officers of the corporation at this time. The action taken by the Trustees last November is in rather general terms, but our counsel considers it is adequate authorization for the execution of the annuity agreement as drawn, from the standpoint of our University records. If you should find that you desire further action by the Trustees or their Executive Committee formally ratifying this agreement as now executed, I will be glad to obtain such further action for you.

With the hope that this now completes the steps preliminary to the completion of this transaction, I am

Very sincerely yours,

BAG/G

Secretary

Enc. 2

CC:Promotional Office

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WHEREAS, JAMES W. PORTER of Chicago, Illinois, in memory of his sister, MISS MARY H. PORTER, has given to the Trustees of Yenching University, a corporation established under the laws of the State of New York, and located at New York City in said State, the sum of One Hundred Thousand Dollars by causing to be transferred to said Board on the date hereof by Sherman M. Goble, as Trustee for said James W. Porter, _____

Shares of the capital stock of Continental Illinois Bank and Trust Co., an Illinois banking corporation, which said stock is taken at its market value of _____ per share on the date hereof, together with the sum of _____ in cash, which said

cash payment has also been made by said Sherman M. Goble as Trustee for said James W. Porter. Said gift of One Hundred Thousand Dollars is made by said James W. Porter, in lieu of certain gifts heretofore promised and discussed with Dr. J. Leighton Stuart, President of Yenching University and Rev. Lucius C. Porter and said gift is hereby accepted by said Trustees of Yenching University in place and instead of any and all such donations or promises.

NOW, THEREFORE, in consideration of said gift, said Trustees of Yenching University hereby agree to pay to Sherman M. Goble, as Trustee under a trust agreement dated October 7, 1929, during the life of said James W. Porter and commencing on the first day of July, A.D. 1930, an annuity of Eight Thousand Five Hundred Dollars (\$8,500.00) per annum, payable in equal quarterly installments of Two Thousand One Hundred Twenty Five Dollars (\$2,125.00) said installments to be paid on the first day of the months of January, April, July and October of each year during the remainder of the life of said James W. Porter. Such payments shall be made at the office of said Sherman M. Goble, 105 W. Adams Street, Chicago, Illinois, unless otherwise requested in writing by said Sherman M. Goble, as Trustee, or by his successor in Trust under said trust agreement.

It is expressly understood and agreed that said Trustees of Yenching University shall have the absolute title to said stock and may sell the same or any part thereof and reinvest the proceeds in any other form of investment that it may see fit.

It is expressly agreed by said Trustees of Yenching University that after the death of the annuitant, the amount realized from said gift shall constitute a permanent endowment fund, the income from which is to be devoted to the uses and purposes of the University under the provisions of its By-laws, provided, however, that if Dr.J.Leighton Stuart, Rev.Lucius C.Porter and Mrs.Lillian D.Porter (his wife) jointly, or any two of them, in any year, request that the income of said permanent fund be devoted to any specific use or uses, purpose or purposes of the University, the said income received during that year and subsequent to said request shall be expended in accordance with such request.

IN WITNESS WHEREOF, said Trustees of Yenching University have caused this instrument to be executed in its name by its Acting President duly authorized to accept said gift and to enter into this agreement and said Sherman M. Goble, as Trustee, as aforesaid has hereunto set his hand and seal to evidence his assent to the terms and conditions hereof, this eighth day of March, 1930.

Executed in Duplicate.

TRUSTEES OF YENCHING UNIVERSITY

By _____
Acting President

Trustee

The execution of the foregoing agreement by the Acting President of the Trustees of Yenching University in its name and behalf, has been duly authorized by the vote of the Board of Trustees of Yenching University, the sixth day of November, 1929, as duly appears of record.

Secretary of the Trustees of
Yenching University

YENCHING

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

March 28, 1930

Yenching University Trustees,
150 Fifth Avenue,
New York City.
Gentlemen:

TRANSFER

I have ordered transferred to your institution, this morning, one hundred thirty eight shares of the Continental-Illinois Bank & Trust Co. stock at a price of One Hundred Twenty Five Dollars per share. This equals the amount stipulated in the agreements which you signed and sent to me recently. I will, as soon as the stock is returned to me, send the stock and a signed agreement to you for your files. This gift completes the gifts, any or all of them spoken of by Mr. Lucius C. Porter, myself, Mr. James W. Porter, or his sister, Miss Mary H. Porter, and completes all gifts contemplated during his, Mr. James W. Porter's life time, to your institution.

I am enclosing herewith a form of agreement which the brokers here, or there in Boston, will require, if you desire to sell the stock and convert it into cash. I want to say however that in my opinion it will pay the Board handsomely to hold this stock for future advancement in price if the Trustees of your Institution can do so. This opinion is shared by the Bank Officials and three of the largest Brokers doing business in stocks and bonds in this City. It has advanced twenty dollars per share in the last four days, so you can see that I am sincere in the belief of the ultimate enhancement of the value of this stock.

You will either have to endorse the certificate of stock if you desire to sell it, or sign the enclosed power of attorney in blank (which is the better way to sell stock) as this power is safer sent through the mails than an endorsed certificate. In sending certificates of stock through the mails, the signed power of attorney should not accompany certificate but be sent under separate cover.

Please note the first indented paragraph in quotation marks on the enclosed certification, for your Secretary. You may not have such a By-law, enabling you to sell stock, and if you have not, then a certified copy of the minutes of a Board called for that purpose should accompany the stock power. In other words, your attorney will have to adapt your certification to your by laws, and this form is sent only as a guide for the proper wording of your Secretary's statement, which must be under the corporate seal of your Board.

Please let me know whether or not you wish me to attend to the sale of the stock, if you intend to convert it into cash. If that be the case then it might be well for me to hold the certificate awaiting your pleasure. You can also send your authority to sell (blank power enclosed) with the proper certification, also enclosed direct, to Russell, Brewster & Co. 112 W. Adams St. Chicago, who are my Brokers for all my transactions and are thoroughly reliable, if you so desire and they will remit the proceeds of the sale to you. In either case I shall be happy to serve you in any way you wish, to see that the transaction goes through properly.

Very sincerely yours,

Sherman M. Goble

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MAR 29 1930
JOINT OFFICE

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I, _____ do hereby certify that I am the Secretary of YENCHING UNIVERSITY, incorporated under the laws of the State of New York, and in such capacity have charge of the Seal and the corporate records thereof; that the following is a full and true copy of an excerpt from the By-Laws of said YENCHING UNIVERSITY as the same are now in force and effect:

"Securities registered in the name of Yenching University, the sale or delivery of which has been authorized by the Board of Trustees or the Committee on Investment, may be assigned or endorsed for transfer by the President or any Vice President and the Secretary or any Assistant Secretary who shall affix and attest the Corporate Seal."

I further certify that at a meeting of the Committee on Investment of YENCHING UNIVERSITY duly held on the _____ day of _____ 19 __, action was duly taken in conformity with the provisions of the By-Laws authorizing the to sell and make delivery of the following described securities being the property of YENCHING UNIVERSITY;

138 shares Capital Stock, Continental Illinois Bank & Trust Company

I further certify that on the date of such action and to and including the date hereof _____ of YENCHING UNIVERSITY and that was _____; that they are duly authorized under the foregoing provision of the By-Laws of the said YENCHING UNIVERSITY to assign and endorse for transfer the above described securities and that the seal hereunto affixed is the Corporate Seal of YENCHING UNIVERSITY.

Secretary.

Dated:

19 __.

0963

YENCHING

March 29, 1930

TRANSFER

Mr. Sherman M. Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr. Goble:

Let me acknowledge receipt of your letter of March 28 with its enclosures.

May I call your attention to what is apparently a typographical error in the first sentence of your first paragraph. You state that you have ordered transferred to Yenching University "138 shares of Continental-Illinois Bank and Trust Company stock at a price of \$125 per share". One hundred thirty-eight shares of stock at \$125 per share amounts to only \$17,250. Apparently, therefore, the number of shares of stock being transferred or the price per share is incorrect. I find that the Continental-Illinois Bank and Trust Company stock was quoted yesterday at \$723 bid, \$727 asked. I presume, therefore, that the price at which you are transferring this stock should have been stated at \$725 per share. At this price the value of 138 shares would be \$100,050. I would appreciate it if you would verify or correct my understanding of the number of shares and the price per share so that the matter will be entirely clear on our records.

I am this morning communicating with the members of our Yenching University Investment Committee and also with the three investment advisers of our Board of Trustees to ascertain their judgment as to whether we should sell this stock immediately or hold it for the time being. Within two or three days we should have their judgment in the matter, and can then proceed to take whatever steps are necessary. I will write you again as soon as the procedure we are to follow is known.

Let me again express my appreciation of the care and interest you are taking in connection with this gift of Mr. Porter to Yenching University.

Very sincerely yours,

BAG-H

CC: Promotional Office

0964

SHERMAN M. GOBLE

YENCHING

March 31st. 1930.

TRANSFER

Mr. B. A. Garside,
150 Fifth Ave.,
New York.

Dear Sir:-

Your letter of the 29th. received.
Your intrepertation of the correct facts is right.
The number of the shares transferred is One Hundred
Thirty Eight and the price at which they were trans-
ferred was Seven Hundred and Twenty Five Dollars per
share.

I am sorry the typeographical error was
overlooked and I sincerely appreciate your expressions
of gratitude. I shall be able to close the matter in
a few days.

Very sincerely yours,

Sherman M. Goble

0965

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UNIVERSITIES
APR 1 - 1930
JOINT OFFICE

0966

YENCHING

INDEXED

April 4, 1930

TRANSFER

Mr. Sherman M. Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr. Goble:

Let me acknowledge with thanks receipt of your letter of March 31.

I am glad to have your confirmation of our interpretation as to the number of shares and the price per share of the Continental Illinois Bank and Trust Company stock which is being turned over to the Trustees of Yenching University in payment of Mr. James W. Porter's annuity of one hundred thousand dollars.

I brought your letter of March 28 to the attention of our Investment Committee and our investment advisers. They agreed that we should request you to forward these 138 shares of bank stock to our office here in New York. It is probable that at least a part of this stock will be offered for sale in the near future, but we find that several of the investment houses with whom we deal here in New York have branches in Chicago through whom the sale of such stock could be handled in a very satisfactory way.

With warmest regards, I am

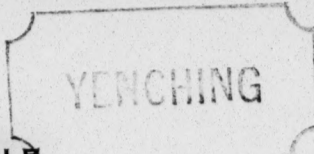
Very sincerely yours,

BAG-H

0967

*copy for
transfer
office*

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO



Amos
TRANSFER

April 17th. 1930.

ATTENTION of :-
Mr. B. A. Garside.

Trustees of Yenching University,
150 Fifth Avenue,
New York City.

Gentlemen:-

I am enclosing herewith, certificate of stock for One Hundred Thirty Eight shares of the Capital stock of the Continental Illinois Bank & Trust Co. (the largest bank in our city) made out in the name of your institution, which on the date of transfer was worth in the open market One Hundred Thousand and fifty Dollars but which in the open market of today is worth One Hundred and Two Thousand and Eighty Six Dollars.

I am enclosing also your copy of the agreement between your Board and myself as Trustee for James W. Porter of this city. The certificate of stock completes the gift made by Mr. James W. Porter in memory of his sister Miss Mary H. Porter.

Will you please return to me the receipt which I have made out, that I may have it for my files?

Very sincerely yours,

Sherman M. Goble

0968

RECEIVED

APR 11 1930

UNIVERSITY OF CHICAGO

LIBRARY

Department of Anthropology
University of Chicago
Chicago, Ill.

I have the honor to acknowledge the receipt of your letter of the 10th inst. and in reply to inform you that the same has been forwarded to the proper authorities for their consideration. The matter is now in the hands of the Board of Trustees and it is hoped that a decision will be reached in due season.

I am, Sir, very respectfully,
Your obedient servant,
John D. Mearns

John D. Mearns
President of the University of Chicago

Very respectfully,
John D. Mearns

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APR 11 1930
LIBRARY

YENCHING

TRANSFER

April 21, 1930

Mr. Sherman M. Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr. Goble:

Let me acknowledge receipt of your letter of April 17 with its enclosed certificate for 138 shares of the capital stock of the Continental Illinois Bank and Trust Company made out in the name of Yenching University; and with an enclosure also of a copy of the agreement between the Trustees of Yenching University and yourself as Trustee for James W. Porter.

We return herewith the receipt for this stock certificate as requested.

Let me again assure you, on behalf of the Trustees of Yenching University, of our sincere appreciation of the interest you have shown, and the cordial manner in which you have handled the details of Mr. Porter's generous gift to Yenching.

Very sincerely yours,

BAG-H

Enc.

CC: Promotional Office

0970

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

YENCHING

April 23rd. 1930.

TRANSFER

B. A. Garside Esq.,
150 Fifth Avenue,
New York.

Dear Mr. Garside:-

B Continental Illinois Bank & Trust Co. bank stock advanced to \$ 769. per share this morning. Can you make money any faster than this bank stock is making it for you? Fifty one hundred and twenty two dollars is the increase since I transferred it to your institution. I do not mean to say I told you so but desire only to show you that it pays to hold on as the American Board has done with this same stock that I gave them for Miss Mary H. Porter several years ago. Miss Mary H. Porter gave back to the Board more than the board paid her in all the years she was there representative in China and did it by her gift to the Board of securities which I handled for her. Her service to the Board was truly therefore one of pure devotion. It was in her memory that her brother made his gift.

Very truly yours,

S.M. Goble

0971

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APR 24 1930
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0972

1 copy 16-20

YENCHING

Same letter sent c/o Jas.W.Porter, La Mesa, Cal.

INDEXED

May 7, 1930

TRANSFER

Mr. Sherman M.Goble,
105 West Adams St.,
Chicago, Ill.

My dear Mr.Goble:

As Dr.Stuart was leaving New York City last week he requested that, if we received a reply from Yenching giving certain information asked for by Dr.Stuart, I pass this information on to you. The information requested by Dr.Stuart was the cost of the Pagoda features of the Water Tower on the Yenching campus, exclusive of the cost of the Water Tower itself, beyond the amount already contributed by Mr.Porter, and also the estimated cost of the iron cap on the Water Tower Pagoda.

A few days after Dr.Stuart left we received a cablegram from Yenching reading as follows:

"DEFICIT ON PAGODA FEATURES OF WATER TOWER, L.C.\$14,500.
ESTIMATED COST OF IRON CAP FOR WATER TOWER PAGODA, L.C.\$300."

As you know, the rate of exchange on Peking local currency is very favorable at the present time. The gold equivalent of Mex.\$14,500 at today's rate is slightly in excess of Gold \$5,000. However, the present rate of exchange is the most favorable we have ever had and we could not rely on its long continuance. I believe, however, that we could safely count on G\$5,250 as sufficient to cover this deficit of Mex.\$14,500 now existing in the Pagoda construction account. The gold equivalent of L.C.\$300 estimated as necessary for the iron cap of the Pagoda is approximately G\$110.

I trust that this information will supply the facts Dr.Stuart promised to give you. Please let me know if any added information is needed.

Let me acknowledge receipt of your letter of April 25. We have made the correction requested in the agreement relative to Mr.Porter's one hundred thousand annuity gift to the University.

I am sending copies of this letter both to Chicago and to La Mesa since I am not sure which address will reach you the more promptly.

Very sincerely yours,

BAG-H

cc: *President's office*

0973

2 copies

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

TRANSFER

May 15th. 1930.

Mr. B. A. Garside,
150 Fifth Ave.,
New York, City.
Dear Mr. Garside:-

Your letter of May 7th. was forwarded to me here at Rose Hedge La Mesa California, Miss Porter's old home with her brother. As you know she died here. I have been here for some matters regarding her estate.

I am very much obliged for the information as to the necessary money needed to complete the pagoda. I can not definitely say now what I can do but I shall certainly have it on my heart to do all that I can. Lucius C. Porter is coming here in July and will see me in Chicago. I will discuss the matter with him then.

Very sincerely yours,

Sherman M. Goble

0974

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MAY 20 1930
JOINT OFFICE

0975

SHERMAN M. GOBLE
ESTATES MANAGED
105 WEST ADAMS STREET
CHICAGO

YENCHING

TRANSFER

June 9th. 1930.

Dr. J. Leighton Stuart, President,
150 Fifth Ave.,
New York.

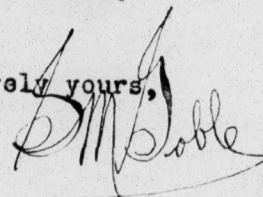
My dear Dr. Stuart:-

I am surprised at Mr. Gaskins attitude on the question you and I discussed. I guess I shall have to bring a little pressure to bear. I am not satisfied with Mr. Gaskins version nor am I content to let the matter rest there. I have written Mr. Gaskins today and you shall hear from me again.

It seems to me that some consideration should be given to a donor's wishes. Especially when neither that donor or I have ever before asked even a favor but have been the grantors of favors.

Opposition always arouses my better and best efforts to over come and I am not easily dissuaded from my course.

Sincerely yours,



0976

Chefoo University (Shantung)
Fukien Christian University
Ginling College
Hangchow Christian College
Hua Chung College

ASSOCIATED BOARDS
FOR
CHRISTIAN COLLEGES IN CHINA

150 FIFTH AVENUE, NEW YORK

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Cable: ABCHICOL Tel: WATKINS 9-8703

B. A. GARSIDE, *Executive Secretary*
C. A. EVANS, *Asso. Secy., and Asso. Treas.*

Yenching University

Lingnan University
University of Nanking
Soochow University
West China Union University
Yenching University

FREDERICK OSBORN, *Vice-Pres.*
GEORGE G. BARBER, *Vice-Pres.*
E. M. MCBRIER, *Treasurer*

October 13, 1933

Mr. E. M. McBrier
Edgewater Beach Hotel
Chicago, Ill.

Sherman Goble
105 W. Adams St

Dear Treasurer,

The announcement by the government that a billion nine hundred million Liberty Bonds would be called in the not distant future caused the strengthening of the bond market today, and a relative weakening of stocks. The latter was off from one to two points at the close. As a consequence, nothing new happened in Yenching authorizations to sell.

My jest of yesterday regarding the Porter Annuity has turned out to be more than a mere gesture. The Committee is impressed with the opportunity presented by you being in Chicago. Mr. Rounds and Mr. Barber feel that it would be a fine thing if you could see Mr. Sherman Goble, the attorney representing Mr. James Porter, and review the circumstances with him. For this purpose we have brought down to date the account showing the transactions in the sales and purchases, the present worth of investments, and the receipts and payments in the Income account. Of course, this situation can change very materially by an upward swing in values, but the redeeming feature in the picture is the appreciation shown in the equities in the account. Those are due for further advances over a long period. This same thing could be said regarding the bank stock; but the way it has acted over the past couple of years, it's advance will not be very rapid.

It will be seen that at prevailing figures we are bankrupt by \$5,144.25, which figure will be altered as values of stocks and bonds change. Under present conditions we simply cannot go on paying \$8,500 a year, and it would seem as though even Mr. Goble could discern this very obvious situation. We are quoting from several communications received from Mr. Goble.

First, the letter dated March 28, 1930 - "I am enclosing herewith a form of agreement which the brokers here, or there in Boston, will require if you desire to sell the stock and convert it into cash. I want to say however that in my opinion it will pay the Board handsomely to hold this stock for future advancement in price if the Trustees of your Institution can do so. This opinion is shared by the Bank Officials and three of the largest Brokers doing business in stocks and bonds in this City. It has advanced twenty dollars per share in the last four days, so you can see that I am sincere in the belief of the

0977

Mr. E. M. McBrier

-2-

October 13, 1933

ultimate enhancement of the value of this stock."

He sent us under date of April 21, 1930 a card from Otter & Company of Chicago, quoting \$760 bid and \$763 asked on the bank stock.

The third is his letter of April 23, 1930. "Continental Illinois Bank and Trust Co. bank stock advanced to \$769 per share this morning. Can you make money any faster than this bank stock is making it for you? Fifty one hundred and twenty two dollars is the increase since I transferred it to your institution. I do not mean to say I told you so but desire only to show you that it pays to hold on as the American Board has done with this same stock that I gave them for Miss Mary H. Porter several years ago. Miss Mary H. Porter gave back to the Board more than the board paid her in all the years she was their representative in China and did it by her gift to the Board of securities which I handled for her. Her service to the Board was truly therefore one of pure devotion. It was in her memory that her brother made his gift."

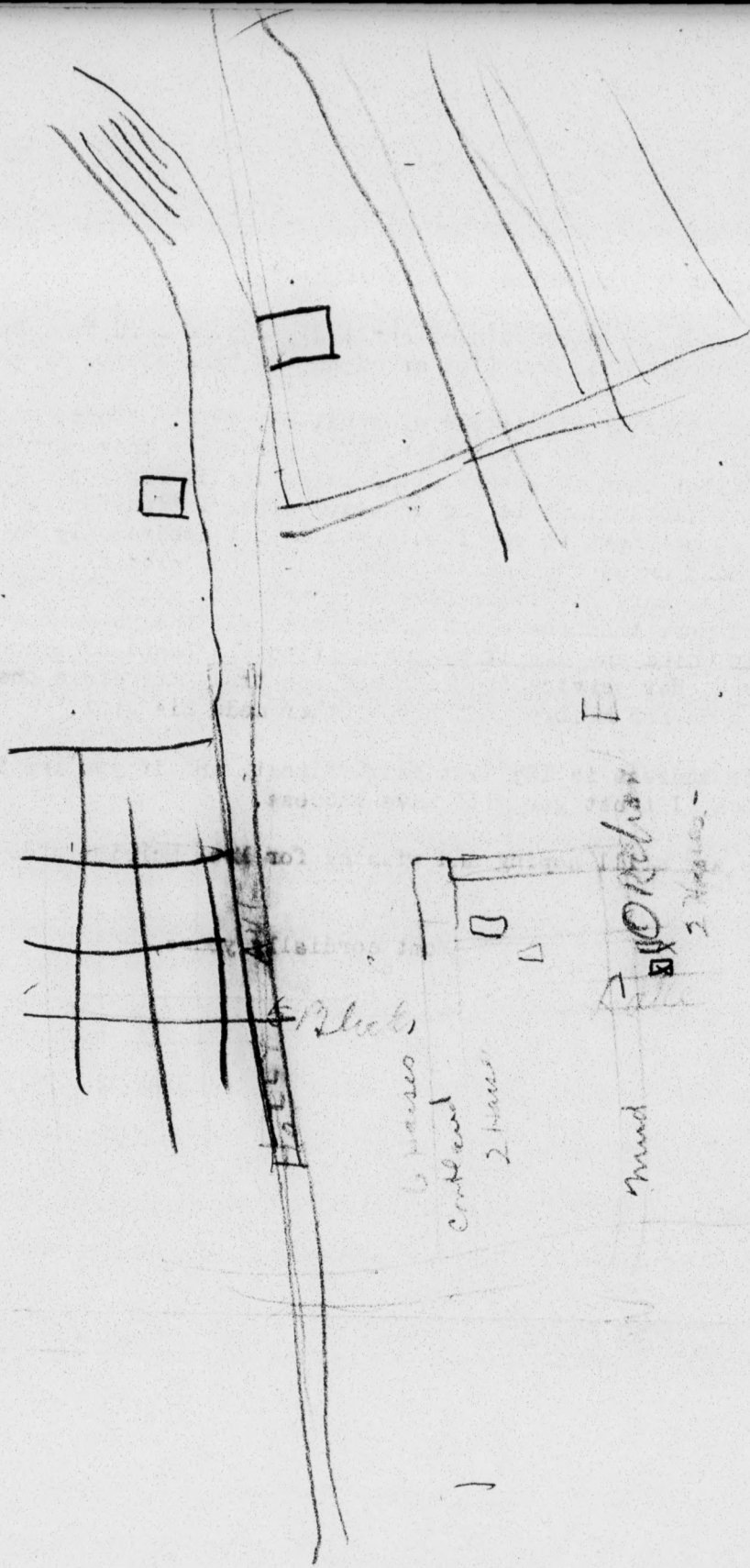
His address is 105 West Adams Street, and if you are inclined to make this approach, I trust you will have success.

We are still hoping and wishing for Mrs. McBrier's continued improvement.

Most cordially yours,

CAE:RC

0978



6 houses
cattle
2 horses

road

3 horses

0979

YENCHING

PORTER ANNUITY ACCOUNT OCTOBER 16, 1933

PRESENT WORTH OF INVESTMENTS

INDEXED

50 shares	Chesapeake & Ohio R.R. 40-1/8.....	\$ 2,006.25	
10 M	Consolidated Gas & Elec. 6s '37 18 1/2...	1,850.00	
20 shares	First National Stores 49-1/4.....	985.00	
25 "	General Mills 63-1/4.....	1,581.25	
10 "	Norfolk & Western Ry. 145 1/2.....	1,455.00	
7,700	1 Mortgage Ctf. (actual bid 27) Nominal	3,850.00	11,727.50
100 shares	Continental Bank & Trust Co. Stock 26 1/2.....	2,650.00	
Present Value.....		\$	14,377.50

INCOME ACCOUNT

	Bank Interest Received	Other Int. Received	Annuity Paid
1930-31.....	2,945.84	1,377.92	8,500.00
1931-32.....	1,500.00	1,570.74	8,500.00
1932-33.....	650.00	1,270.25	8,500.00
1933-34 two payments on Annuity.....	-	428.50	4,250.00
	5,095.84	4,647.41	29,750.00
		5,095.84	9,743.25
Overdraft.....			\$ 20,006.75
Deficit.....			\$ 5,629.25

At prevailing prices we are bankrupt by the difference of present values and the overdraft or \$5,629.25.

April 22, 1930 Received 138 shares Continental Illinois Bank & Trust Co. Capital Stock @ 725.00 - \$100,050.00

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Cheeloo University (Shantung)
Fukien Christian University
Ginling College
Hangchow Christian College
Hua Chung College

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Yenching University

Lingnan University
University of Nanking
Soochow University
West China Union University
Yenching University

FREDERICK OSBORN, *Vice-Pres.*
GEORGE G. BARBER, *Vice-Pres.*
E. M. MCBRIER, *Treasurer*

October 26, 1933

Mr. E. M. McBrier
Edgewater Beach Hotel
Chicago, Illinois

Dear Mr. McBrier:

This morning's opening market is a splendid indication of the public mind. The tape was slow, with classified industries headed in all different directions. As a good sample, gold stocks are off from two to three points in the face of another advance marked by the government. Even individual organizations are headed in different directions within a classification. If anyone can figure out whether he ought to buy or sell under conditions like this, he is a magician of the highest order.

We have been reviewing the conditions and restrictions involved in the trust funds of the university as related to the Porter Annuity. The following is a list of the endowment funds carried on our books, outside of scholarships:

Hall Endowment Fund	1,050,094.61
Harkness Endowment Fund (Theology)	143,969.10
Lucy K. Sackett Endowment Fund	1,000.00
D. Willis James " "	100,000.00
Library " "	6,000.00
McBrier Foundation	102,546.08
Natural Science Endowment Fund	501,081.62

Of the above list the Hall Endowment Fund and the Lucy K. Sackett Fund are not definitely allocated for any specific purpose, and neither were there any restrictions as to their use. In other words, the Trustees are responsible up to the extent of their unallocated endowment funds, making a total of \$1,051,094.61. I intended to say they are responsible in the Porter Annuity account to the above stated amount.

Both Garside and myself have discussed the question as to possible evasion of payment through the plea that we have no funds available. Legally speaking, the foregoing paragraph holds and the Trustees are bound to the extent of these resources. Mr. Garside feels quite strongly that after getting ourselves in a very sour situation, it is not very becoming on the part

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October 26, 1933

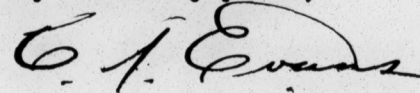
of the University to repudiate its pledge; and surely Goble has the law on his side if he desires to start action. I believe that your conclusion is the correct one; that is to continue paying during the life of Mr. Porter, with the added thought that we should fervently pray to Almighty God, that Divine Deity, ~~we~~ express His approval of Mr. Porter's life achievement by rewarding him with a mansion in the hereafter at a very early date.

Turning to more mundane things, I am asking how you wish the certificate issued for U.G.I. purchased with the proceeds from the International Paper bond. I am instructing Hemphill Noyes to hold the certificate in the name of their nominee until you give definite instructions.

Young & Ottley has just called me, making recommendations that American Tobacco "B" and Liggett & Myers stocks be sold as there is some apprehension regarding the processing taxes which the government will levy upon tobacco, thereby raising the cost, with the attending difficulty that tobacco interests will not be able to raise prices under prevailing conditions. They recommend using the proceeds in the purchase of Great Western Sugar which yields 2.40, and will give us about the equivalent income of what we sell. The Sugar Company is earning its dividends by a considerable margin, and the low price of sugar at the present time would indicate that with a company earning its dividends on present prices, any upward push of commodities would materially help this particular industry. You will recall that this is the best sugar industry of the west, and has a strong lobby in Washington which may or may not be to its advantage. This particular organization was largely responsible for pushing through the Philippine Independence Bill which, when properly analyzed, as to methods of enactment, makes the American people look like a parcel of dirty land lubbers. I will talk with other members of the Committee and get their reaction.

Again we are hoping that you are seeing that Mrs. McBrier makes satisfactory progress toward a complete and early recovery. You will have to take especial care of her because of the measly weather in Chicago. Whereas here today is a perfectly beautiful fall day with a touch of chill in the air which makes us realize that winter is imminent. The moral is: "Do not leave New York."

Very cordially yours,



CAE:RC

P.S. The Investment Committee has taken rather adverse attitudes on the depositing of bonds, especially under the conditions as set forth in the indenture governing the Mundelein bonds. Mr. Rounds feels quite definitely that paying out a dollar more only means the sending of good money after bad, whereas the bonds are still an attachment to the property; and that if the Committee is not willing to negotiate without advanced payment, that there is not much prospect of getting any return. His reaction is that the Committee cannot have much faith in its prospects for success, and apparently it is not for the interest of the bond holders at heart, and on the face of it appears to be a pure and simple business proposition.

0982

Mr. E. M. McBrier

-3-

October 26, 1933

Mr. Barber quite definitely does not desire to place the bonds in the hands of the Committee, but would be willing to cooperate and give them their commissions if any money was collected. But to place the bonds in the hands of the Committee, and pay money in advance, is too much to ask.

Relatively speaking, there is so little involved that it would not seem to be necessary for us to enter into cooperation with the Committee. It is quite true that there is a possibility of getting something out of it, but as I have read the correspondence, and as Young & Ottley have interpreted the circulars, the whole set-up is a very questionable organization, and the depositing of the bonds and entering into an agreement might get us involved in a situation which we later would regret.

0983

YENCHING UNIVERSITYPORTER ANNUITY ACCOUNT, JANUARY 2, 1936Present Worth of Investments

<u>Amount</u>	<u>Security</u>	<u>Income</u>	<u>Cost Price</u>	<u>Total Cost</u>	<u>January 2, 1936</u>	
					<u>Market Price</u>	<u>Market Value</u>
50 sh	Chesapeake & Ohio RR Common.....	140.00	26-7/8	1,352.42	51-3/8	2,568.75
133 "	Chicago Corporation)				4-1/2	598.50
100 "	Cont. Ill. Bk. & Trust).....		725	72,299.00	127	12,700.00
10 "	Norfolk & Western RR Common.....	100.00	120	1,203.40	210	2,100.00
7,700	Par. Ctf. W. Side Bway., W. Plains..	423.50	100	7,700.00	95	7,315.00
100 sh	Phillips Petroleum Common.....	125.00	14-7/8	1,500.00	39-3/8	3,937.50
100 "	Standard Oil of Calif. Common....	100.00	34-1/4	3,440.00	40-1/2	4,050.00
	CASH.....					922.91
		888.50		87,494.82		34,192.66

4/22/30 Received 138 shares Continental Illinois Bank
and Trust Capital Stock at 725..... 100,050.00

Apparent Capital Loss to January 2, 1936..... 65,857.34
100,050.00

INCOME ACCOUNT

	<u>Bank Interest Received</u>	<u>Other Income Received</u>	<u>Annuity Paid</u>	<u>Total Annuity Paid</u>
1930-31	2,945.84	1,377.92	8,500.00	
1931-32	1,500.00	1,570.74	8,500.00	
1932-33	650.00	1,270.25	8,500.00	
1933-34		1,347.67	8,500.00	
1934-35		891.92		
1935		446.75		
	5,095.84	6,905.25		34,000.00
		5,095.84		
Total Income.....		12,001.09		12,001.09
Overdraft.....				21,998.91
Value of Capital 1/2/36.....				34,192.66
Value 1/2/36 Above Cash Payments.....				12,193.75