

THE FARM LOAN PRIMER

QUESTIONS ASKED FROM THE POINT OF VIEW OF THE BOR- ROWER.

Q. What are the general purposes of the Federal farm-loan act?

A. To lower and equalize interest rates on first-mortgage farm loans; to provide long-term loans with the privilege of re-payment in installments through a long or short period of years, at the borrower's option; to assemble the farm credits of the Nation, to be used as security for money to be employed in farm development; to stimulate cooperative action among farmers; to check land monopoly by making it easier for tenants to get land; and to provide safe and sound long-term investments for the thrifty.

Q. When did this act become a law?

A. It was passed by Congress June 28, 1916, and was signed by President Woodrow Wilson July 17, 1916, and became a law immediately.

Q. What, briefly, is the machinery for the application of the farm-loan act?

A. There are three parts, as follows:

1. The Federal Farm Loan Board, consisting of four members, named by the President, and the Secretary of the Treasury as chairman.

2. The 12 Federal land banks located in various sections of the country.

3. The many national farm-loan associations organized and controlled by the borrowers themselves, each made up of ten or more farmers.

Q. What are the duties of each of the above named organizations?

A. The Federal Farm Loan Board exercises supervision over the entire system. The Federal land banks make the loans and issue their bonds or debentures to investors. The national farm-loan associations are organizations of borrowers, and through them applications for loans are made to the Federal land banks.

Q. Who governs directly each of the 12 Federal land banks?

A. When a bank is first established, the Federal Farm Loan Board names five directors from its district to run it temporarily. When it has loaned as much as \$2,000,000, so that farm-loan associations subscribed to \$100,000 of it stock, being 5 per cent thereof, it is to have nine directors—six to be elected by the national farm-loan association of its district and three to be appointed by the Federal Farm Loan Board. Directors are elected and appointed for three-year terms, two being elected and one appointed each year. The directors choose the bank officers.

Q. What determines the location of the banks?

A. The Federal Farm Loan Board locates these banks with a view to serving most advantageously the farm loan needs of the country.

Q. What is their capital stock?

A. Each bank starts with a capital of \$750,000, but it gets additional money for lending by automatic increase of its capital stock and through the sale of its bonds by pledging the mortgages it takes as collateral security.

Q. Who may own stock in the Federal land banks?

A. It is open for general subscription. The stock is placed on sale for 30 days, and if the public does not buy it the Government takes it at the end of that time.

Q. Has it voting power?

A. Only the stock held by the Government and by the national farm-loan associations has voting power.

Q. Will this stock pay dividends?

A. If the banks make a profit they will pay dividends on all stock except that held by the Government.

Q. Will you explain how after a bank lends its original capital it gets additional money to lend to farmers?

A. When a bank has loaned \$50,000 or more on first mortgages, it may issue not less than \$50,000 of bonds against these mortgages and thus borrow money to lend to the farmers. This process is repeated over and over until the capital of the bank is turned over 20 times. If the capital of the bank were limited to \$750,000, the bank would have a loaning capacity of only \$15,000,000. But the law provides for the automatic increase of the capital of the bank from the fact that each national farm-loan association is required to buy stock in the bank equal to 5 per cent of the loans it procures for its members. Since each bank is permitted

to lend 20 times its capital to the members of the association, it will be observed that as \$1,000 is added to the capital, the loaning capacity is increased \$20,000, the ratio between the capital and the loaning capacity remaining always the same. There is no limit to the capacity of the bank to serve the needs of the farm borrower, so long as it can sell its bonds with first mortgages on farm land pledged as security.

Q. What becomes of the land-bank stock owned by individuals and the Government?

A. The Government stock and other stock, if originally subscribed by others than borrowers, is gradually paid off and retired as the subscriptions by farm loan associations are made. This is essentially a farmer's banking system, and the law contemplates the farmers shall eventually own and control it.

Q. May these Federal land banks accept deposits or do general banking business?

A. They may accept deposits only from farm loan associations. The association may accept deposits from anybody only for the purchase of Federal farm loan bonds or first mortgages. This money must be forwarded at once to the Federal land bank. Certificates are issued for such deposits bearing not over 4 per cent per annum after six days. When the certificates aggregate \$25 or any multiple thereof they may be exchanged for Federal farm loan bonds of an equal amount. No other banking business may be transacted.

Q. What is the object of this feature of the act?

A. To encourage thrift among the people and make saving money easy and convenient for farmers and their families, and to make possible the purchase of farm loan bonds on the installment plan.

Q. Who may borrow money from the Federal land banks?

A. Only persons who are the owners or about to become the owners of farm lands and who are or intend to be actually engaged in farming.

Q. What should a person do desiring to make a loan?

A. He should apply for membership in the nearest farm loan association.

Q. What should he do if there is no national farm-loan association in easy reach?

A. He should organize a national farm-loan association in his community together with nine or more other persons who are farmers or prospective farmers.

Q. How may a national farm loan association be formed?

A. One of the organizers should write to the Federal Farm Loan Board in Washington, D. C., asking for blanks and instructions how to proceed, which will be mailed on request. When these are received the prospective borrowers should hold an organization meeting and elect from their members a board of five or more directors and this board should elect a local committee of three, a president, a vice-president and a secretary-treasurer, who is a bonded officer. The secretary-treasurer may or may not be a member of the association. These 10 or more farmers should make application in writing to the Federal land bank for loans to the aggregate amount of \$20,000 and for a charter to do business. They must sign and acknowledge articles of association and forward them to the Federal land bank. The Federal land bank will then send it appraiser to inspect the land offered as security for the loans applied for, and, if satisfactory, the loans will be authorized when the charter is granted to the association. The bank then advances the money through the secretary-treasurer of the local association. In the application signed by the borrowers each must indicate how much money he desires and must list the value of the land to be mortgaged as security.

(Continued in Friday's Edition)

FIRST REGIMENT

The first Regiment, North Carolina Infantry, will leave the Border Friday. We trust it will not be very long before the entire North Carolina Guard is at home.

"A little nonsense now and then is relished by the best of men." We paraphrase this by saying a little compliment now and then is relished by the best of men. Mr. Jos. Powell, of the Citizens Mercantile Co. deserves a pat upon the shoulder for the artistic manner in which he dressed the window of the Citizens Mercantile Co's retail department. It was his first effort, and does him credit.

DISTRICT MEETING THIRD DISTRICT ORDER EASTEN STAR

Held with Warren Chapter MRS. R. J. JONES PRESIDING

The Chapters of the Third District, Order of the Eastern Star met with Warren Chapter in Johnston-Caswell Lodge rooms on Friday of last week. The attendance of delegates from other Chapters of the District was not large; but those who did attend made up in enthusiasm what was lacking in numbers. The meeting was called to order at 8:30 Friday afternoon by Mrs. R. J. Jones District Deputy Grand Matron, Mrs. Howard F. Jones, Past Matron, acting as Associate Matron; Miss Mary Harriss, Conductress, and Miss Mary Burroughs, Associate Conductress. Mrs. Noland Knight, of Ashville, N. C., Grand Matron; Mr. J. Edward Allen, Grand Patron, and Miss Ethel Chandler, Grand Organist, were escorted into the Chapter and given the Grand Honors. Mrs. Ben Gay, of Jackson, and Miss Mary Norman, of Halifax, were also given a warm welcome.

The following interesting program was then laid before the assembled Chapters and Grand Officers:

KEYNOTE: MAKING A WELL-ROUNDED CHAPTER

3:45 p. m.....

Exemplification; introit; opening ceremony

Reception of Distinguished Visitors

Tender and acknowledgement of courtesies

The Grand Patron leading

Addresses and instructions from visiting

Grand Officers

The Grand Matron leading

Exemplification: Forms from the Book of Special

Instructions

7:45 p. m.....

The call to resume labor

Exemplification: the ritual of initiation

The District Deputy Grand Matron directing

Remarks for the good of the Order

By courtesy of the visitors

The special meeting of Warren Chapter is closed.

9:15 p. m.....

Formal extension of hospitality to the Visitors

The Worthy Matron leading

Demonstration: Practical Work for the O. E. S. Home

Mrs. H. A. Boyd, arranging

Demonstration: A Chapter social hour

Mrs. Howard F. Jones, P. M.; Miss Dameron,

Organist of Warren Chapter; and Miss Chandler,

Grand Organist; planning

Committee on Arrangements

The District Deputy Grand Matron

The Grand Patron of North Carolina

The Grand Organist of North Carolina

Miss Sue Burroughs, W. M. of Warren Chapter

Miss Sarah Maeon

Mrs. H. A. Boyd

Mrs. Howard F. Jones

The Chapter was pleased to receive Superintendent Brown and Mrs. Brown, of the Oxford Orphan Asylum as new members, and to receive by initiation Mr. L. W. Alderman, Conductor of the Orphan Singing Class. They added much to the pleasure of the occasion by their presence and good cheer. The closing hour Friday evening was given over to short addresses by the Grand Worthy Matron, Mrs. Noland Knight; Mr. R. L. Brown, Supt. of the Orphan Asylum, and by Mr. L. W. Alderman. A Demonstration of Practical work for the O. E. S. Home took the form of a "quilting"; three nice quilts having been provided and placed in the Banquet Hall for busy and skilled fingers to demonstrate practical work for "sweet charity's sake."

Delicious refreshments of Chicken Salad, Hot Coffee, whipped Cream, pickles and sandwiches were daintily served.

"A Chapter Social Hour" was given over to Music and Recitation. The music was furnished by a Sextette, Mrs. Norwood Boyd, Miss Alice Rodgers, Miss Mamie Gardner, Miss Ethel Chandler, Mill Lily Belle Dameron and Mr. John Dameron, and a solo by Mr. John Harriss. The entire music program was much enjoyed. Miss Mary Burwell and Miss Creighton Thorne added much to the pleasure of all present and showed much talent in the program of Recitation assigned them.

The District meeting was pronounced a most successful meeting from all points of view, and its convening here was a source of pleasure to Warren Chapter. The Chapter especially appreciated the presence of Mrs. Noland Knight, Grand Matron, and rejoiced in the words of commendation which fell so charmingly from her lips. The Chapter reciprocates all the nice things said about it, and is looking forward to the meeting of the Grand Chapter in June at which time Mrs. Noland Knight will be with us again and preside over the Grand Chapter. The presence of Mrs. Gay of the Jackson Chapter and Miss Norman of the Halifax Chapter, as well as all of our visitors was a source of much pleasure to the entire Chapter, and to their hostesses while attending the District meeting.

The next big event for Warren Chapter is the convening of the Grand Chapter of North Carolina in Warrenton in June. About one hundred and fifty visitors are then expected.

Congratulations are due Mrs. R. J. Jones, District Deputy Grand Matron upon the success of the meeting just brought to a close. She presided with dignity and with great credit to herself and to this Chapter.

To Mr. W. K. Barham who was indispensable—filling all positions from assistant Decorator to "best beau" of the charming girls of the Chapter, thanks are due; his services were (as always) freely given, and much appreciated.

MARRIED

Mr. Roscoe Perkinson and Miss Bertha Hicks at the home of the parents of the bride, Mr. and Mrs. Atlas Hicks, on last Sunday at 4 p. m., the pastor of the Baptist church of Norlina officiating. THE RECORD wishes this newly wedded pair much happiness.

WANTED—a good Milch cow, gentle and not too old. C. W. FLEMING, Norlina, N. C. 1-30-1tp.

ASPEN ITEMS

No drought as yet here to report. Farmers are beginning to feel a little blue over the continued wet weather, on account of burning plant beds. Mr. Vance Neal with Miss Clyde Pitchford called on the New Couple Mr. J. D. Riggins Saturday night. Mr. T. W. Pitchford went to Vaughan on business last Saturday. Mr. Zeb Riggan, of Norlina, came with his bride one day last week and

will spend some time with his parents Mr. and Mrs. J. D. Riggan here.

Several of the children with some older ones enjoyed pulling candy at Mr. C. N. Hardy's Saturday night.

Mr. F. B. Neal made a business trip to Littleton Saturday last.

Mr. and Mrs. J. A. Pitchford, of this place, visited Mrs. Pitchford's mother, Mrs. P. S. Williams, of Airlie, last Saturday and Sunday.

Rev. A. P. Mustian filled his regular appointment at Reedy Creek last Sunday.

AFTON ITEMS

Mr. A. H. Fraizer went to Henderson Friday on business.

Miss Gertrude Reams, of Morrisville, N. C. was a pleasant visitor in the home of her uncle Mr. H. P. Reams, last week.

We are sorry to report Mr. W. A. J. Parnell on the sick list. We wish to him a speedy recovery.

Mr. J. G. Ellis, of Bank of Warren, was in Afton Thursday looking after business.

Mrs. W. T. Dunn, of Wake Forest, N. C., spent the week-end with her brother Mr. H. P. Reavis.

Mr. Fletcher Williams, of Richmond, Va., is visiting his brother, Mr. D. C. Williams.

Mr. James Williams has "grippe" but is improving. We hope that he will soon be well.

Mr. D. C. Williams and son Bryant spent Saturday in Henderson.

Mr. Henry Fuller was in Warrenton on business Saturday.

Mr. H. P. Reavis was greeting old friends in Henderson Saturday.

Miss Sadie Limer is teaching the Cedar Grove school, Shocco township, finishing out the term of Miss Tulia Ricks who resigned.

Mr. W. H. Martin spent last week in Macon putting in wells.

We were grieved to learn of the death of our friend Mr. W. T. Johnson of Warrenton and wish to extend to the bereaved family sincere sympathy.

TODAY'S LOCAL AND PERSONAL

—COTTON, 17c. today.

—Mr. J. B. Overby is in town today.

—Mr. T. V. Overby is in town today.

—Mr. R. K. Carroll is in town today.

—Mr. J. R. Lloyd was in town today.

—Mr. C. M. Overby is in town today.

—Mr. Alex Katzenstein is in town today.

—Mr. Howard Overby is in town today.

—Mr. Henry C. Weaver is in town today.

—Mr. Richard Y. King is in town today.

—Mr. C. W. Fleming was in town today.

—Mr. J. H. Fleming was in town today.

—Mr. R. H. Hawkes was in town today.

—Mr. Peter M. Stallings is in town today.

—Mr. Joe Peoples, of Shocco, is in town today.

—Mr. Wallace Cawthorne was in town today.

—Mr. H. S. Grant, of Wilson, N. C., is in town this week-end.

—Mr. Will Coley of the News & Observer was in town today.

—Mr. L. W. Gupton, of Arcola, was in town Sunday with a prisoner under arrest for forgery.

—Quite a nice "break" of tobacco was on our market today—a splendid "break" considering the roads.

—The Cakewalk under the auspices of the Red Roses will take place at the old Armory Thursday night at 8 o'clock. Don't forget the date nor place.

—Measles are prevalent in town. A number of families have children with the disease. All cases have been quarantined by Doctor Peete, County Physician.

—Our friends will confer a favor and help the town by telephoning locals to this office. Help us make the WARREN RECORD a true record of the daily life of our folks.

—Miss Ursula Pettetier, of Beaufort, has accepted a position with the H. T. Macon Ins. Agency. We are pleased to welcome Miss Pettetier to our town and trust her stay with us may be pleasant.

—We asked one gentleman early this morning "What's the news?" His answer was "The sun is shining." This was indeed good news, for we have had cloudy, misty rainy weather for three weeks. The roads are worse they have been in a long time.

A FEAST OF THE NATIONS

The "White Roses" presented "A Feast of the Nations" to quite a large number of our school folks last night. As has been stated in our columns the Betterment Association has divided its membership in two groups; the White Roses, and the Red Roses. These Roses are rivals for the patronage of the public in their laudable effort to raise money for our schools. It is a friendly rivalry—the best of spirit prevails. The rival Roses do not let their rivalry keep them from saying a good word for each other and mutually aiding the cause of the Betterment Association. The Feast of the Nations last night gave much pleasure to all who attended, and was well arranged and those taking part displayed much talent. We understand quite a little sum was contributed to the Treasury of the Betterment Association.

In this connection it will be well to state that Mrs. B. C. Hilliard on behalf of the Red Roses will have an old-fashioned "Candy pulling" at the Graded school building tonight. Admission five cents—no other charges. The Red Roses will have a "Cake Walk" at the old Armory Thursday night; which promises much enjoyment, judging by the "Cast of Characters" who will "walk."

STOP! LOOK! READ!!!

RED ROSES CAKE WALK

On Thursday night at the Armory bright, A "Big Event" will take place There'll be couples gay, who will dance away With steps of airy grace

For old time's sake a cake we'll bake And place upon a stand Here with your "pal", either Harry or Sal You'll cake walk hand in hand

Let your bonnet be red you wear on your head And your dress of yellow and pink But if you haven't these—just anything please Doesn't matter if it black as ink

Come one, come all, both great and small And bring a little cash For a little dough makes things go And perhaps you'll make a mash.

Our roses are Red, our violets are blue Our sugar is sweet, why not you? We work for our school—our children dear; So come and help—without any fear

DO YOU KNOW HOW TO CLEAN YOUR TEETH?

Do you clean your teeth when you brush them, or do you simply go through the motion? Many people pretend to brush their teeth by passing the bristles crosswise over the surface a few times, but this is at most a pretense, as it really does not get the proper results.

The best way to clean the teeth is to place the bristle of the brush firmly against the teeth and with a rotary or scrubbing motion go up and down the surface of the upper and lower teeth both inside and out and up on the gums. Go also behind the teeth. After seeing that every bit of the surface of the teeth has been cleaned in this way, then rinse the mouth thoroughly, forcing the water between the teeth several times to unloose and food particles. Do this more than once and always spit it out.

To keep the teeth as clean as they should be kept in order to preserve them and prevent decay, it is necessary to wash them after each meal in order to remove all food particles. They should also be washed the first thing in the morning and the last thing at night. It is well to have more than one brush on hand at a time so that it will never be necessary to use a wet, limp brush. A good, stiff brush used two or three times a day and a standard paste or powder used once a day is all that is usually necessary to keep the teeth clean and in good condition. Remember always when washing the teeth that a clean tooth never decays.

—Mesdames John H. Kerr, of Warrenton and T. J. Holt, of Wise, visited their cousin, Mrs. Robt. N. Sims of Raleigh, Saturday.