

depleted by payments out of the sum deposited, he must within five days bring his deposit up to the original amount or be suspended. Further than this, the rules provide that, in the event of a broker's suspension or death, his bond is liable for six months after such suspension or death.

The association passes on practically all matters relating to coffee transactions, gives official gradings on all coffee brought before it, and provides for all necessary arbitrations covering differences that may arise between buyers and sellers. One of the unique regulations provides that when coffees are tendered for redelivery this can be done on the delivery of the original samples tendered with the seals as originally received, unbroken; if otherwise, they are subject to regrading, with a further charge.

A tax is collected by the exchange on all transactions, which provides revenue for the upkeep of the exchange and has also been used for the new exchange building.

Margin requirements are large compared with the New York exchange, and with the numerous safeguards thrown around contracts they are looked upon as being extremely safe. A bureau is provided for the liquidation of contracts with a maximum capital of 3,000,000 reis, in which the government may be interested to the extent of 40 per cent.

Brokers on the exchange are limited to those of Brazilian citizenship, must be 21 years old and enjoy full civil rights. Before being accepted they must have a certificate indorsing them given by at least three reputable commission or expert dealers in the Santos market. No one can be a licensed broker who has failed and has not received a clear discharge in bankruptcy or whose business record cannot stand the closest scrutiny. No broker, when acting as such, can be a partner of any mercantile firm nor deal for his own account in either spot or future coffees.

Unlike the New York Coffee Exchange, transactions in the streets are not prohibited—as a matter of fact, the bulk of the business is done in the street—but the exchange must be notified of all such transactions. Any broker who does not appear at the daily calls of the exchange, either in person or through one of his assistants, is liable to fine, and this also applies for failure to report any transaction to the exchange made outside of the exchange.

The entire work of the exchange the past few years has been such that the stock commands a substantial premium. The market has been sufficiently trying to test the machinery of the Santos Coffee Exchange to the utmost, and its record during these trying years is one of which it may well be proud.

The large trading room is surmounted by a magnificent dome, and behind the platform are three enormous paintings of stirring scenes in Brazil history, of such superior execution that the federal government has urged that they be transferred to the nation and moved to Rio de Janeiro. There are banquet halls, a restaurant, and offices for brokers.

There are some 60 concerns and individuals engaged in the coffee business in Santos. They are located on the streets adjacent to the Bolsa, particularly Rua 15 de Novembro, Rua do Commercio, Rua Santo Antonio, and Rua Frei Gaspar.

THE WORLD'S GREATEST COFFEE RAILWAY

From Santos to São Paulo the 49 mile trip is made over one of the costliest railroads of South America and one that pays perhaps the highest dividends to its stockholders. The São Paulo Railway on its way from Santos climbs the granite wall of the Serra on one of the steepest grades known in railway construction, rising 2,500 feet within six miles. The road is the last word in railway construction. Being a great money earner, no money is spared to keep the roadbed in apple-pie order. A remarkable series of cemented channels protect the road from landslides and freshets. Every possible assault by nature is guarded against. Even rocks, besides the double tracks, are tarred to preserve them from the elements. The hillsides have been reinforced, water courses



RUA 15 DE NOVEMBRO, SÃO PAULO