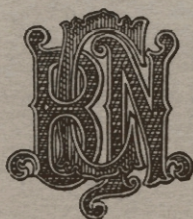


NATIONAL CANADIAN BANK

(BANQUE CANADIENNE NATIONALE)



SEVENTY-FIRST
ANNUAL REPORT
^{MT}NOVEMBER 30, 1945

PURVIS HALL
LIBRARIES

FEB 4 1945

McGILL UNIVERSITY

NATIONAL CANADIAN BANK

Established 1874

Head Office: MONTREAL

Paid-up Capital and Reserve Fund, \$12,000,000.00

Assets, \$349,349,858.84

SEVENTY-FIRST
ANNUAL REPORT

1945

NATIONAL CANADIAN BANK

BOARD OF DIRECTORS

BEAUDRY LEMAN, *President and Managing Director*

CHAS. LAURENDEAU, K.C., *Vice President*

HON. JACOB NICOL, *Vice President*

L. J. ADJUTOR AMYOT

HON. J. M. DESSURBAULT

HON. C. P. BEAUBIEN

C. E. GRAVEL

ARMAND CHAPUT

A. J. MAJOR

AUGUSTE DESILETS, K.C.

LEO G. RYAN

HEAD OFFICE

CHAS. ST-PIERRE - - - - - *General Manager*

YVON LAMARRE }
HENRI DES RIVIÈRES } - - - - - *Assistant General Managers*

J. A. DULUDE - - - - - *Superintendent*

P. DE L. TACHÉ - - - - - *Manager, Credit Department*

ULRIC ROBERGE - - - - - *Chief Inspector*

A. COURTOIS - - - - - *Chief Accountant*

J. L. DAVIGNON - - - - - *Montreal District Manager*

LÉON LORRAIN - - - - - *General Secretary*

200 Branches — 316 Agencies

NATIONAL CANADIAN BANK

SEVENTY-FIRST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF NATIONAL CANADIAN BANK

Record of Proceedings at the Seventy-first Annual General Meeting of the Shareholders held on Tuesday, 8th January, 1946, at twelve o'clock noon, at the Head Office of the Bank, Place d'Armes, Montreal, Canada.

Among those present were: Messrs. L. J. Adjutor Amyot, Pierre A. Badeaux, Hon. C. P. Beaubien, Messrs. Georges Beaudry, Geo. E. Beaupré, J. A. Blondeau, L. Bouthillier, J. H. Brodeur, J. A. Brouillette, H. Carrier, Jean Casgrain, Armand Chaput, Emile Chaput, Arthur Courtois, J. E. Coutu, J. L. Davignon, J. V. Desaulniers, Auguste Desilets, K.C., Ovidia Desjardins, Henri desRivières, Hon. J. M. Dessureault, Dr. Eudore Dubeau, Messrs. Paul E. Dufresne, J. A. Dulude, Francis Fauteux, K.C., Lucien Favreau, Rosario Genest, K.C., A. Gérin-Lajoie, K.C., J. N. Gosselin, C. E. Gravel, Hon. Henri Groulx, Messrs. Paul Guimond, Albert Hudon, Joseph Hurubise, Raymond Hurtubise, J. Edouard Labelle, K.C., Yvon Lamarre, Charles Laurendeau, K.C., Antoine L'Ecuyer, Alfred Legault, Beaudry Leman, Jules Lemire, Léon Lorrain, C. A. Lussier, A. J. Major, F. M. Marcotte, René Morin, n.p., Donald G. Munroe, Hon. Jacob Nicol, Messrs. Alfred H. Paradis, Joseph Louis Poupart, J. R. Paul Pratt, J. Alex. Prud'homme, K.C., Gaétan Raymond, Ulric Roberge, P. E. Rousseau, Rodrigue St-Onge, Charles St-Pierre, Henri Sauvé, Pierre de L. Taché, Eugène Tarte, Arthur Terroux, François Vézina, Geo. P. Vinant.

It was moved by Mr. Albert Blondeau, seconded by Mr. Alfred H. Paradis, that Mr. Beaudry Leman be appointed Chairman and Mr. Leon Lorrain Secretary of the Meeting. The motion was unanimously carried.

The Secretary read: (1) Notice calling the Shareholders meeting, as published in the newspapers, (2) Certificates evidencing that the following documents had been forwarded to every shareholder, according to law: (a) Notice of the meeting, (b) A form of proxy, (c) Statement recording the attendance of the Directors at Board meetings, (d) Copy of the record of proceedings at the Annual General Meeting held on January 8, 1945.

The Record of proceedings at the seventieth Annual General Meeting having been mailed to every shareholder, as evidenced by the certificate just read, it was moved by Mr. Eugène Tarte, seconded by Mr. Arthur Terroux, and unanimously resolved that this record of proceedings be taken as read and confirmed.

On motion by Mr. J. R. Paul Pratt, seconded by Dr. Eudore Dubeau, it was unanimously resolved that Messrs. J. Edouard Labelle, K.C., and Joseph Hurtubise be appointed scrutineers.

The Chairman called upon the General Manager to read the Seventy-First Annual Report of the Board of Directors.

SEVENTY-FIRST ANNUAL REPORT

Gentlemen,

Your Directors have the honour to submit their report on the Bank's operations for the financial year ending November 30, 1945.

PROFIT AND LOSS ACCOUNT

30th NOVEMBER, 1945

Profits for the year ended 30th November, 1945, after making appropriations to Reserves for Contingencies out of which accounts full provision for bad and doubtful debts has been made.....		\$ 1,082,033.55
<i>Less:</i>		
Dominion Government taxes.....	\$ 312,543.92	
Contribution to Staff Pension Fund.....	140,000.00	
Written off Bank Premises.....	151,417.14	603,961.06
Net Profits after the foregoing deductions.....		\$ 478,072.49
Dividends (quarterly) at the rate of 6% per annum.....		420,000.00
Amount carried forward.....		\$ 58,072.49
Balance at credit of Profit and Loss Account, 30th November, 1944.....		361,496.95
Balance at credit of Profit and Loss Account, 30th November, 1945.....		\$ <u>419,569.44</u>

A. COURTOIS
Chief Accountant

C. ST-PIERRE
General Manager

BEAUDRY LEMAN
President

BALANCE SHEET

30th NOVEMBER, 1945

ASSETS

Subsidiary coin held in Canada.....	\$ 1,023,155.43	
Notes of Bank of Canada.....	9,949,975.25	
Deposits with Bank of Canada.....	35,485,178.05	
Notes of and cheques on other banks.....	10,663,433.97	
Government and bank notes other than Canadian.....	100,935.02	
Deposits with and balances due by other chartered banks in Canada.....	2,876,703.94	
Due by banks and banking correspondents elsewhere than in Canada.....	1,988,616.34	\$ 62,087,998.00
Dominion Government direct and guaranteed securities maturing within two years, not exceeding market value...	68,584,239.91	
Other Dominion Government direct and guaranteed securities, not exceeding market value.....	88,329,168.28	
Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value..	7,263,842.69	
Other Provincial Government direct and guaranteed securities, not exceeding market value.....	20,079,319.75	
Canadian municipal securities, not exceeding market value	11,065,208.29	
Public securities other than Canadian, not exceeding market value.....	554,440.78	
Other bonds, debentures and stocks, not exceeding market value.....	4,492,763.40	
	\$200,368,983.10	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover.....	10,394,201.42	210,763,184.52
		\$272,851,182.52
Current loans and discounts in Canada, estimated loss provided for.....	64,988,700.63	
Loans to Provincial Governments.....	648,433.00	
Loans to cities, towns, municipalities and school corporations.....	4,341,788.44	
Non-current loans, estimated loss provided for.....	14,093.37	69,993,015.44
Liabilities of customers under acceptances and letters of credit as per contra.....	686,690.83	
Real Estate other than Bank premises.....	171,536.65	
Mortgages on real estate sold by the Bank.....	655,272.47	
Deposit with the Minister of Finance for the security of note circulation.....	73,893.02	
Bank premises at not more than cost, less amounts written off.....	4,623,908.20	
Other assets.....	294,359.71	6,505,660.88
		<u>\$349,349,858.84</u>

LIABILITIES

Capital paid up.....	\$ 7,000,000.00	
Reserve fund.....	5,000,000.00	
Balance of Profit and Loss Account.....	419,569.44	
Dividends declared and unpaid (including dividend payable 1st December, 1945).....	112,366.74	\$ 12,531,936.18
Notes of the Bank in circulation.....		987,342.00
Deposits by and balances due to Dominion Government....	52,627,377.99	
Deposits by and balances due to Provincial Governments...	1,846,194.25	
Deposits by the public not bearing interest.....	71,249,012.22	
Deposits by the public bearing interest, including interest accrued to date of statement.....	206,682,369.16	
Deposits by and balances due to other chartered banks in Canada.....	1,608,489.30	
Deposits by and balances due to banks and banking corre- spondents elsewhere than in Canada.....	1,056,708.87	335,070,151.79
Acceptances and letters of credit outstanding.....		686,690.83
Other liabilities to the public.....		73,738.04
		<u>\$349,349,858.84</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We beg to report to the Shareholders of National Canadian Bank that we have checked the cash and verified the securities of the Bank at the Chief Office as at 30th November, 1945, as well as at another time during the year, and found they agreed with the entries in the books in regard thereto.

We have examined the books and accounts at Head Office and have compared the above Balance Sheet with these books and with the certified returns from the branches. In our opinion, the Balance Sheet is properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1945, according to the best of our information and the explanations given us, and is as shown by the books of the Bank.

We have obtained all the information and explanations required by us, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

MAURICE CHARTRE, C.A. of Chartré, Samson, Beauvais, Gauthier & Cie	} Auditors.
A. BALLANTYNE, C.A. of Peat, Marwick, Mitchell & Co.	

Montreal, December 21, 1945.

BEAUDRY LEMAN

President

C. ST-PIERRE

General Manager

A. COURTOIS

Chief Accountant

The Profit and Loss account discloses earnings of \$1,082,033 in comparison with \$1,047,746 in 1944. These profits were allocated as follows: Provision for Dominion Government taxes \$312,543; contribution to the staff pension fund \$140,000, against \$120,000 in 1944; amortization of bank premises \$151,417. Dividends amounting to \$420,000 were paid, leaving a balance of \$58,072 carried to Profit and Loss account, the credit balance of which now stands at \$419,569.

Total deposits, showing an increase of \$49,945,319, have reached a record figure of \$335,070,151. The number of depositors is also the largest recorded. Deposits by the public not bearing interest have risen by over seven millions dollars, now amounting to \$71,249,012, whilst deposits bearing interest, having risen by \$28,581,344, now aggregate \$206,682,369. Government deposits total \$54,473,572 compared with \$40,803,765 last year. These peaks in the deposits by the public are all the more noteworthy that subscriptions to the Victory Loans have absorbed very large amounts in the course of the year.

Total assets of the Bank have risen, in one year, by \$49,866,818 now standing at a record figure of \$349,349,858. Cash assets have increased by \$11,857,123 and total \$62,087,998, being equal to 18.47% of liabilities to the public, against 17.52% last year. Quick assets, which stood at \$237,525,998 in 1944, now amount to \$272,851,182, being the equivalent of 81.17% of liabilities to the public.

Current loans and discounts, higher by \$12,076,340, an increase of 22.8%, aggregate \$64,988,701. This rise, as well as that of \$10,150,428, or 23.7%, during the preceding year, is due both to an increase in the number of borrowing customers and to larger demands from commerce and industry. Demand loans were also larger, having risen from \$4,305,294 to \$10,394,201. The large amount of quickly realizable assets of the Bank enables it to cope with the demands which may develop from agriculture, industry and private borrowers.

The investments of the Bank, consisting of high grade and, for a large part, of short term securities, total \$200,368,983, an increase of \$17,379,154 over the figures of the previous year.

The growth of the Bank's business has added to the work of the staff and additional burdens were placed on the employees by our cooperation with the Federal authorities in the application of various government measures, amongst which may be mentioned the payment of family allowances. The Board of Directors is happy to acknowledge that the personnel of the Bank has brought loyalty, skill and devotion to the discharge of its onerous duties.

THE PRESIDENT'S ADDRESS

Gentlemen,

The comments on last year's operations of this Bank, which our General Manager, Mr. Charles St. Pierre, has just read, disclose very satisfactory progress.

Before moving the adoption of the Bank's financial statement, I take leave to direct your attention to certain salient features of the economy of Canada and to point out a few of the problems which must be considered, in our Country and abroad.

Outline of Conditions in Canada

The past year was not a very prosperous one as far as agriculture is concerned. The value of field crops is estimated at \$1,098,000,000 for 1945. This total is the smallest on record since 1941. It is nevertheless twice as large as the average figure for the period 1935-1939. The value of the wheat crop, which is about 133 millions less than that of 1944, will amount to about 327 million dollars; its volume will be about 308½ million bushels, compared with 435½ millions for the previous year. The yield per acre was the lowest since 1937. Other cereals, oats, barley and rye, showed lower yields. There has been a considerable shrinkage in the potato crop; orchard yields, particularly the apple crop, the volume of which was lower by 57% in relation to 1944 and by 54% against the average of the last ten years, were low. The tobacco crop was substantially smaller; the output of honey showed an important diminution and so did the production of maple sugar and syrup which was one of the lowest ever recorded. On the other hand, stock raising and truck gardening provided satisfactory returns.

The war acted as a vigorous stimulant to the mining of base metals. The value of our exports of non ferrous metals and other minerals, including aluminium, rose from 213 millions of dollars in 1939 to 339 millions in 1944. Canada occupied first place as a provider of base metals. During the first nine months of 1945 the production of asbestos and lead continued to increase but the output of copper, nickel, zinc, coal and petroleum was less. The production of gold showed a steady decrease from month to month compared with 1944. The slackening which is felt in the demand for other metals will make available both labour and machinery and this, coupled with the demobilization of thousands of men, should bring a recovery in gold mining.

The annual exports of Canada have, in the course of the war years, reached a peak of about 3½ billion dollars; these exports, however, were made up, to the extent of nearly 75%, of munitions and armements. It would be improvident to draw from these figures conclusions regarding sales abroad in the future. The gradual contraction which has been in evidence since the end of the war should induce a keener sense of the realities which must be faced. The Canadian economy rests largely on the maintenance of an important volume of both exports and imports, enabling us to dispose of our surplus production and to secure the many commodities which we lack. It is therefore necessary to clearly visualize that, in the matter of international trade, we will have to face conditions entirely different from those existing during the war, when we did not have to face competitive conditions, and that we

will have to elbow our way in a world which will again practise the "everyone for himself". Before looking abroad and afar, it may not be amiss to consider our own position.

The War Debt of Canada

At the end of the present fiscal year, that is on 31st March, 1946, the cost to Canada of the Second World-War will exceed twenty thousand five hundred millions of dollars. Our consolidated public debt, which stood at about three thousand millions as of 31st March, 1939 will have reached this year some sixteen thousand million dollars. This is a very heavy burden for a young country with a population of some twelve million inhabitants spread over a vast territory which is only partially developed.

The important feature, however, is not so much the amount of the public debt as the burden of taxation. The budget for the fiscal year 1945-46, which the Minister of Finance submitted to Parliament in October last, placed at 4,650 million dollars the expenses for the year, against 5,246 millions for the previous year. The revenues for the same period are estimated at 2,515 millions compared with 2,687 millions in 1944-45. The deficit is estimated at 2,135 millions, being about 400 million dollars less than for the preceding year.

The taxpayers were gratified and relieved at the announcement that taxes were to be slightly lowered. They none the less consider that the weight of taxation is still excessive and that they have a right to expect that, in the near future, additional relief will be extended. They are all the more concerned and uneasy as they feel that the Provinces, the municipalities and the school boards also have pressing needs to satisfy. They are worried as to the ways and means of satisfying all these fiscal requirements. The last Defense budget was arresting. The armies of land, sea and the air of Canada will number 55,000 men. The cost is estimated, for the fiscal year 1945-46, at \$1,068,170,000. It will be about the same as for the year 1944-45, the last year of the war, when it amounted to \$1,143,732,000. For the first year of peace, the Defense budget will be $30\frac{1}{2}$ times as high as that of the last prewar year when it amounted to \$31,731,000.

The Federal Government and the Provinces

The proposals submitted by the Federal Authorities at the two Interprovincial Conferences which were held in Ottawa in the course of 1945, entailed the maintenance of measures whereby the central power would levy and collect income taxes on corporations and individuals. Briefly, the Minister of Finance who already held the title of Receiver General of Canada, would also become the Paymaster General of the Country. These questions are under scrutiny and their importance is such that it is quite understandable that the Provinces should study them with wariness, carefully surveying the avenues of their further progress.

These proposals, at least in principle, would be acceptable to the Canadian business world which shuns the multiplicity of collecting agencies. A system of imposts which would be uniform, coherent, simple and understandable, extending throughout Canada, would present unquestionable advantages. There are, however, other aspects of this question. Each province carries its own responsibilities and must face its own particular problems, each must find the necessary resources for purposes of education, hygiene, health, social progress, as well as for the development of its natural resources. The duties which rest upon each individual province cannot be delegated to the Federal authority no more than their accomplishment can rest solely upon the generosity or the discretion of the Central government. The State has assumed burdens which must be discharged, but the Provinces also have pressing obligations; inasmuch as the taxable resources of this country are not unlimited, an understanding between governments is imperative. Moreover, burdensome taxation, whether it originates from the Federal or from provincial governments, may well paralyse economic activity, hinder commerce and would dry up in short order the revenues upon which public bodies depend to meet their obligations. The Federal Government should not appropriate too large a share of the product of taxation as such a policy would almost inevitably drive the Provinces to the taking over of profitable enterprises. All interested parties would be worse off if the proposals now submitted were to result in the development of socialization or — to employ another term which some prefer — in the nationalization not only of public utilities, but of other kinds of undertakings. Several provinces are already engaged, apart from public services, in the insurance business, in railway operations, in the liquor trade and what not? Events and policies have an inescapable logic.

The National Income

One hears occasionally of the enrichment of this country during the war. Certain features are pointed out, such as the increase in bank deposits and the amounts subscribed by the public to the Victory Loans and War Savings certificates. Comparisons are made of the figures expressing the national income which now stands at some nine thousand million dollars whereas it amounted to about four thousand millions before the war. But the national balance sheet also discloses a debt of about sixteen thousand million dollars. Before talking of the enrichment of the country, it would be the part of wisdom to proffer evidence to the effect that the people of Canada have in sufficient number proper lodgings, that they encounter no difficulty in securing clothing, and that food, particularly that which is produced in the country, is not rationed. Undoubtedly the population of Canada is far better off than most peoples of Europe and Asia. The citizens of Canada must, without complaining, lend assistance to those who lack everything and who clamour for that which we can spare without undue sacrifice. But,

forsooth! let us hear less of the money supply and of enrichment. The Germans, the Austrians, the Hungarians, the Greeks, the Chinese and countless others are flooded with so-called money but they are dying of hunger. This leads us to say a few words of the attempt made at Bretton Woods to bring order out of the chaos of national currencies.

The Bretton Woods Agreement and the Stabilization of Currencies

The history of the first half of the twentieth century will record, in addition to the two greatest wars of all times, scientific discoveries far surpassing those of preceding centuries; it will however also mention — and this will be the humiliating page of our epoch — that this generation was lacking in monetary discipline. Whilst the scientists were successful in finding the means of mastering more effectively the forces of nature and in making available to greater numbers more goods and wealth, the monetary experiments of nations and their governments brought about the disastrous results so clearly in evidence nowadays. All discipline in monetary matters was flung out of the window and yet some people persist in closing their eyes to what has occurred in Europe during the last twenty-five years.

One need not be an admirer or follower of Russian ideologies to acknowledge that in certain matters Russians showed courage and logic. When, in Russia, the State decrees that a person, in compensation for the accomplishment of the task assigned to him, is entitled to a pair of shoes, to two shirts and to some other article of clothing annually, one faces a clear and unmistakable situation. Is not this situation preferable to the issue of millions and billions of paper currency, which is nothing more than scraps of paper which do not enable the holder to buy the bare necessities of life? Monetary inflation is a dupery and a piece of dishonesty to which political leaders, conscious of their duty, should not lend themselves. We should congratulate ourselves in Canada at having escaped these experiments in monetary jugglery the results of which are futile and the consequences frequently tragic. Let us however be cautious and insist, as article one of any measure of social betterment, that we retain a sound currency, readily exchangeable against real wealth.

Should the agreement of Bretton Woods and the organization of a stabilization fund bring about the purging and cleansing of a number of currencies and establish a stable relationship between them, a great step forward will have been taken to restore trading between nations. There will remain another lesson to learn to the effect that order is impossible without discipline; this discipline may be voluntary or may have to be enforced. Has not the time arrived when monetary manipulations must cease and when realities must be faced, even if they appear painful?

Gold is far from constituting the wealth of a nation, its use is not indispensable to insure within a country a healthy economic activity and a steady exchange of goods and services, but its possession, in sufficient quantity, constitutes a monetary discipline which cannot be ignored with impunity. Gold is somewhat like the brakes on an automobile; it does not provide the motive power, but who would care to travel in a car without brakes?

A Wave of Socialism Breaking over the World

Socialism teaches that private capitalism leads to monopoly, to the concentration of capital in the hands of the few and to the pauperization of the laboring masses. Let us cursorily examine these two assertions. It seems illogical to condemn the existence of monopolies, which are restricted in their scope, and to combat limited concentrations of capital and in the same breath to suggest the organization of a vast monopoly embracing all agricultural and industrial production. The most weighty criticism of large corporations is precisely that any error of judgment or in forecasting, of a small group of men, imply and entail repercussions which are widespread and bear upon the livelihood of thousands of workers. Does any one cherish the hope that all errors will be eliminated when the small group of men that direct the affairs of the State will have full control over all social and economic activity throughout a country? Do our observations and experience on the manner in which public affairs are administered lead us to this conclusion?

What evidence have we that private capitalism has brought about the pauperization of the masses? This broad, sweeping statement fails to distinguish between capital and wealth. If it be true that private capitalism lends itself to the organization of large aggregations of capital, when the object makes it necessary to operate on a large scale, it is only fair to acknowledge that it does not eliminate small undertakings. One is apt to forget that the bulk of all business is under the control of small capitalists. If there are in existence large aggregations of capital, there is no proof that the wealth produced by this capital is not as well if not better distributed than under any socialistic regime. It is well to bear in mind that the population living on this earth has about trebled in the course of a century and that living conditions of the masses have improved in the countries operating under private capitalism. Who will claim that the socialistic experiments in Russia, in Germany and in Italy have improved the lot of the laboring masses? Even in Great Britain, under a socialist government, the trend is towards a more "austere" mode of living. Mr. Vandervelde, a very prominent socialist leader in Belgium, after a trip of investigation in Russia, declared that the so-called "dictatorship of the proletariat" had turned out to be "a dictatorship over the proletariat".

The ills which plague modern societies will not be cured by spreading the contagion; the remedy lies in the combined efforts and in the cooperation and understanding of all men of goodwill. It

would seem to be the part of wisdom and prudence to correct and rectify errors and abuses, to decentralize authority and power as far as possible, to spread the risks in order to minimize them and to allocate power where competence may exert a beneficial influence.

The scrutineers reported that 26,890 shares were present and 290,123 represented by proxy at the Meeting, a total of 317,013 shares.

It was moved by Mr. Beaudry Leman, seconded by Mr. Charles Laurendeau, and unanimously resolved, that the Seventy-first Annual Report of the Board of Directors be approved by the Shareholders.

Mr. Francis Fauteux pointed out that the financial statement for the past year, as read and commented upon by the General Manager, shows substantial progress and a most satisfactory condition. He then moved, seconded by Mr. Alfred Legault, that the Shareholders extend their congratulations to the Directors for the excellent results disclosed by the financial statement for the year 1944-45.

The motion was unanimously carried.

The President, on behalf of his fellow-members of the Board as well as in his own name, voiced the feeling of appreciation of the Directors at the resolution passed by the Shareholders.

Mr. J. V. Desaulniers remarked that the General Manager, the officers and the staff also deserve the sincere congratulations of the Shareholders, because the development of the Bank's business in the course of the past year is obviously ascribable to the fruitful co-operation between the Board of Directors, the officers and all the employees. He therefore moved, seconded by Dr. Eudore Dubeau, that the thanks of the Shareholders be extended to the General Manager, the officers and the members of the staff of the Bank for their efficient service and loyal co-operation which have contributed in a large measure to the progress of the Bank.

The motion was unanimously adopted.

Mr. St. Pierre thanked the movers of the resolution and the Meeting, in his own name and in the name of the staff as well. I was pleased to hear Mr. Desaulniers speak of co-operation, added Mr. St. Pierre, as I wish to avail myself of this opportunity to declare that, during the past year, everyone of the 2,380 employees of the Bank has given us effectual aid. The wording of the resolution may be the same, from year to year, but it nevertheless expresses a sincere appreciation of the devotion with which the members of the staff performed their respective tasks.

The Secretary read letters from Mr. Maurice Chartré, C.A., and from Mr. John W. Ross, C.A., offering their services to the Bank as auditors for the fiscal year 1945-46.

Upon motion of Mr. Alfred H. Paradis, seconded by Mr. Albert Blondeau, it was unanimously resolved that Messrs. Maurice

Chartré, C.A., and John W. Ross, C.A., be appointed auditors, for the fiscal year ending November 30, 1946, and that their remuneration be set at a total amount of \$10,000 to be divided between them according to the time devoted by each to the affairs of the Bank.

It was moved by Mr. J. Alex. Prud'homme, seconded by Mr. Emile Chaput, and unanimously resolved: That Mr. Beaudry Leman and Mr. Charles Laurendeau be authorized, together or severally, to act as attorney or proxy of Banque Canadienne Nationale at any and all meetings of the shareholders of Banque Canadienne Nationale (France) and to delegate their powers, as such, to any person or persons which they may nominate.

Mr. Albert Hudon moved, seconded by Hon. Henri Groulx, that the Meeting proceed to the election of Directors and that one ballot be cast evidencing the decision of the Meeting. This motion was unanimously carried.

A ballot was handed to the scrutineers who reported that the following Shareholders had been elected Directors of the Bank:

Mr. L. J. Adjutor Amyot
Hon. C. P. Beaubien
Mr. Armand Chaput
Mr. Auguste Desilets, K.C.
Hon. J. M. Dessureault
Mr. C. E. Gravel
Mr. Charles Laurendeau, K.C.
Mr. Beaudry Leman
Mr. A. J. Major
Hon. Jacob Nicol
Mr. Leo G. Ryan

The scrutineers' report was unanimously confirmed.

The Meeting then adjourned.

At a meeting of the Board of Directors of the Bank held immediately after the Annual Shareholders' Meeting, Mr. Beaudry Leman was elected President and Managing Director of the Bank and Mr. Charles Laurendeau and Hon. Jacob Nicol were elected Vice Presidents.

CORRESPONDENTS OF THE BANK

UNITED STATES

NEW-YORK:

Bankers Trust Co.
Chase National Bank.
National City Bank.
Irving Trust Company.
Guaranty Trust Company of New York.
New York Trust Company.
Public National Bank & Trust Co.
Chemical Bank and Trust Co.

BOSTON:

First National Bank.
National Shawmut Bank.

BUFFALO:

Marine Trust Company.

CHICAGO:

Continental Illinois National Bank and Trust Co.

LOS ANGELES:

Security-First National Bank of Los Angeles.

PHILADELPHIA:

Philadelphia National Bank.

PITTSBURGH:

Mellon National Bank.

ST-PAUL:

First National Bank.

GREAT BRITAIN

LONDON:

Barclays Bank Limited.
Clydesdale Bank Limited.
Comptoir National d'Escompte de Paris.
Crédit Lyonnais.
Société Générale de Crédit Industriel et Commercial.

BELGIUM

ANTWERP:

Banque de Commerce

BRUSSELS:

Banque de Bruxelles
Crédit Lyonnais

FRANCE

PARIS:

Banque Canadienne Nationale (France)
Banque de Paris et des Pays-Bas
Banque Nationale pour le Commerce et l'Industrie
Banque Nationale Française du Commerce Extérieur
Crédit Lyonnais
Crédit Commercial de France
Comptoir National d'Escompte de Paris
Banque Jordaen, S.A.
Société Générale
Société Générale de Crédit Industriel et Commercial

HOLLAND

ROTTERDAM:

Rotterdamsche Bankvereniging

NORWAY

OSLO:

Christiania Bank og Kreditkasse

SPAIN

BARCELONA:

Banco Espanol de Crédito.

MADRID:

Crédit Lyonnais.

SWITZERLAND

Swiss Bank Corporation

MEXICO

Banco de Comercio, S.A.
Banco de Mexico
Banco Nacional de Mexico

WEST INDIES

Barclays Bank (Dominion, Colonial and Overseas).

SOUTH AMERICA

ARGENTINA:

First National Bank of Boston, Buenos Aires.

BRAZIL

National City Bank of New York

COLOMBIA

Bank of London and South America Limited

PERU

Banco Popular del Peru

AFRICA

Barclays Bank (Dominion, Colonial and Overseas).
Standard Bank of South Africa Limited.

AUSTRALIA

Union Bank of Australia, Limited.
Comptoir National d'Escompte de Paris.

NEW ZEALAND

Bank of New Zealand.

INDO-CHINA

Banque de l'Indo-Chine

