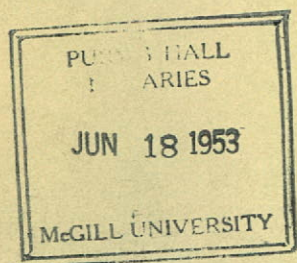
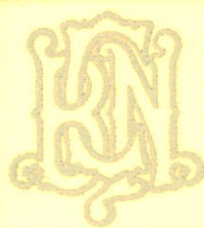


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77th ANNUAL REPORT



BANQUE CANADIENNE NATIONALE

NATIONAL CANADIAN BANK

November 30, 1951

NATIONAL CANADIAN BANK

Established in 1874

Head Office: MONTREAL

BOARD OF DIRECTORS

CHARLES ST-PIERRE, *President*

CHARLES LAURENDEAU, K.C., *Vice-President*

HON. J. NICOL, *Vice-President*

L. J. ADJUTOR AMYOT	GEO. T. DONOHUE
HON. F. PHILIPPE BRAIS	HON. WILFRID GAGNON
ARMAND CHAPUT	A. J. MAJOR
ARISTIDE COUSINEAU	HON. ALPHONSE RAYMOND
AUGUSTE DESILETS, K.C.	LEO G. RYAN
HON. J. M. DESSUREAULT	

HEAD OFFICE

ULRIC ROBERGE	- - - - -	<i>General Manager</i>
J. A. DULUDE P. DE L. TACHÉ J. L. DAVIGNON	} - - - - -	<i>Assistant General Managers</i>
J. N. GOSSELIN GEORGES BEAUDRY	} - - - - -	<i>Superintendents</i>
E. BRAUREGARD RODRIQUE ST-ONGE	} - - - - -	<i>Managers, Credit Department</i>
LOUIS ROUSSEAU	- - - - -	<i>Chief Inspector</i>
LOUIS HÉBERT	- - - - -	<i>Chief Accountant</i>
L. ALLARD	- - - - -	<i>Manager, Foreign Department</i>
LÉON LORRAIN	- - - - -	<i>General Secretary</i>

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

Record of Proceedings at the Seventy-Seventh Annual General Meeting of the Shareholders held on Tuesday, 8th. January, 1952, at twelve o'clock noon, at the Head Office of the Bank, Place d'Armes, Montreal, Canada.

Among those present were: Messrs. L. J. A. Amyot, André Bachand, Pierre A. Badeaux, K.C., J. T. Beaudin, Georges Beaudry, Léonce Beaudry, Geo. R. Beaulieu, Georges E. Beaupré, E. Beauregard, Paul A. Béique, B. Bélanger, Lucien Bergeron, J. A. Blondeau, Mrs. Paul Boucher, Mr. L. Bouthillier, Hon. F. Philippe Brais, K.C., Messrs Paul H. Brault, J. H. Brodeur, J. A. Brouillette, A. L. Caron, O. Castonguay, Armand Chaput, G. Charuest, Philippe Clerk, Arthur Courtois, Aristide Cousineau, O. Couture, J. L. Davignon, Alfred Demers, J. V. Desaulniers, Auguste Desilets, K.C., D. Desrosiers, Hon. J. M. Dessureault, Messrs. Robert Désy, n.p., George T. Donohue, J. A. Dulude, René Fournier, Hon Wilfrid Gagnon, Messrs. Alex. Gérin-Lajoie, K.C., J. N. Gosselin, Paul Guimond, Louis Hébert, Joseph Hurtubise, Yvon Lamarre, Roger Lamontagne, Charles Laurendeau, K.C., L. Lauzier, J. Paul Lavallée, Antoine L'Ecuyer, L. Philippe Leduc, J.-Alfred Legault, J. Théo. Legault, Jr., n.p., J. R. Lemire, A. J. Livinson, Léon Lorrain, C.A. Lussier, Hector Mackay, n.p., L. A. Maheux, A. J. Major, F. M. Marcotte, Emile Massicotte, n.p., J. E. Mercille, Hon. Jacob Nicol, Messrs. Aurélien Noël, J. H. Paré, René Paré, Honoré Parent, K.C., Gérard Parizeau, Châteauguay Perrault, K.C., J. E. Poirier, Guy Poliquin, J. Alex. Prud'homme, K.C., J. Aldéric Raymond, Ulric Roberge, Louis Rousseau, P. E. Rousseau, Léo Roy, Rodrique St-Onge, Charles St-Pierre, Mr. Justice Guillaume Saint-Pierre, Messrs. Eugène Tarte, Léopold Trottier, Paul Vaillancourt, Maurice Vallée, François Vézina, Geo.-P. Vinant.

It was moved by Mr. Paul H. Brault, seconded by Mr. Gérard Parizeau, that Mr. Charles St-Pierre be appointed Chairman and Mr. Léon 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 meeting, (b) A form of proxy, (c) Statement recording the attendance of the Directors at Board meetings, (d) A copy of the record of proceedings at the Annual General Meeting held on January 9, 1951.

The Record of proceedings at the seventy-sixth Annual General Meeting having been mailed to every shareholder, as evidenced by the certificate just read, it was moved by Mr. Geo. P. Vinant, seconded by Mr. Paul Vaillancourt, and unanimously resolved that this record of proceedings be taken as read and confirmed.

On motion by Mr. F. M. Marcotte, seconded by Mr. Maurice Vallée, it was unanimously resolved that Messrs. Joseph Hurtubise and Paul Vaillancourt be appointed scrutineers.

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

SEVENTY-SEVENTH ANNUAL REPORT

Gentlemen,

Your Directors have the honour to submit their report on the Bank's operations for the financial year ending November 30, 1951.

PROFIT AND LOSS ACCOUNT

30th NOVEMBER, 1951

Profits for the year ended 30th November, 1951, after making appropriations to Reserves for Contingencies out of which accounts full provision for bad and doubtful debts has been made.....			\$ 2,270,571.41
Less:			
Provision for Federal and Provincial Taxes.....	\$	713,354.76	
Contribution to Staff Pension Fund.....		350,000.00	
Written off Bank Premises.....		404,604.47	1,467,959.23
Net Profits after the foregoing deductions.....			\$ 802,612.18
Dividends.....	\$	560,000.00	
Extra dividend, 20c per share, payable 1st December, 1951.		140,000.00	700,000.00
Amount carried forward.....			\$ 102,612.18
Balance at credit of Profit and Loss Account, 30th November, 1950.....			651,428.43
Balance at credit of Profit and Loss Account, 30th November, 1951.....			\$ 754,040.61

LOUIS HÉBERT,
Chief Accountant

ULRIC ROBERGE,
General Manager

CHARLES ST-PIERRE,
President

BALANCE SHEET

30th NOVEMBER, 1951

ASSETS

Subsidiary coin held in Canada	\$ 1,203,262.89	
Subsidiary coin held elsewhere	61.83	
Notes of Bank of Canada	14,671,445.00	
Deposits with Bank of Canada	29,430,365.21	
Cheques on other banks	29,072,158.15	
Government and bank notes other than Canadian	451,208.52	
Due by banks and banking correspondents elsewhere than in Canada	3,698,862.40	\$ 78,527,364.00
Canadian Government direct and guaranteed securities maturing within two years, not exceeding market value	\$ 39,189,545.66	
Other Canadian Government direct and guaranteed securities, not exceeding market value	70,549,752.25	
Provincial Government direct and guaranteed securities, maturing within two years, not exceeding market value	5,884,955.65	
Other Provincial Government direct and guaranteed securities, not exceeding market value	33,892,334.04	
Canadian municipal securities, not exceeding market value	15,569,366.18	
Public securities other than Canadian, not exceeding market value	705,837.05	
Other bonds, debentures and stocks, not exceeding market value	17,037,594.23	
	\$182,829,385.06	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	2,565,910.23	185,395,295.29
		\$263,922,659.29
Current loans and discounts in Canada, estimated loss provided for	\$175,568,433.87	
Current loans and discounts elsewhere than in Canada, estimated loss provided for	583,161.99	
Loans to Provincial Governments	30,697.70	
Loans to cities, towns, municipalities and school corporations	16,191,636.34	
Non-current loans, estimated loss provided for	27,902.24	192,401,832.14
Liabilities of customers under acceptances and letters of credit as per contra	\$ 1,633,156.62	
Bank premises at not more than cost, less amounts written off	6,390,608.64	
Other assets	121,327.83	8,145,093.09
		<u>\$464,469,584.52</u>

LIABILITIES

Capital paid up.....	\$ 7,000,000.00	
Reserve Fund.....	7,000,000.00	
Balance of Profit and Loss Account.....	754,040.61	
Dividends declared and unpaid (including dividend payable 1st December, 1951).....	159,005.15	
Extra dividend payable 1st December, 1951.....	140,000.00	\$ 15,053,045.76
Deposits by and balances due to Federal Government.....	5,047,179.44	
Deposits by and balances due to Provincial Governments..	3,863,573.70	
Deposits by the public not bearing interest.....	115,008,262.02	
Deposits by the public bearing interest, including interest accrued to date of statement.....	317,299,405.30	
Deposits by and balances due to other chartered banks in Canada.....	5,072,247.98	
Deposits by and balances due to banks and banking corres- pondents elsewhere than in Canada.....	1,426,980.52	447,717,648.96
Acceptances and letters of credit outstanding.....		1,633,156.62
Other liabilities to the public.....		65,733.18
		<u>\$464,469,584.52</u>

NOTE:—The assets and liabilities of Banque Canadienne Nationale (France) same being considered a branch operating as a subsidiary of Banque Canadienne Nationale, are included in the above Balance Sheet.

LOUIS HÉBERT,
Chief Accountant

ULRIC ROBERGE,
General Manager

CHARLES ST-PIERRE,
President

AUDITORS' REPORT TO THE SHAREHOLDERS

We have checked the cash and verified the securities of the Bank at the Chief Office as at 30th November, 1951, 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, 1951, 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, Bélair & Cie	} Auditors
JEAN VALIQUETTE, C.A. of Anderson & Valiquette.	

Montreal, 15th December, 1951.

The financial report of your Bank for the year ended November 30, 1951, shows the most favorable results yet achieved since its establishment.

Profits, having risen by \$479,827 as compared with the previous year, amount to \$2,270,571. They have been distributed as follows: provision for Federal and Provincial taxes, \$713,354, an increase of \$295,661 over 1950; contribution to Staff Pension Fund, \$350,000, as against \$300,000 the year before; amortization of Bank premises, \$404,604; dividends, \$700,000, in comparison with \$560,000 the preceding year. It will be noted that the amount of taxes exceeds that of dividends. The balance of Profit and Loss account has been raised from \$651,428 to \$754,040.

Total deposits reached the record figure of \$447,717,649. Deposits by the public, showing an increase of more than twenty-six and a half millions during the year, amount to \$432,307,667. Deposits by the public not bearing interest have risen, in round figures, from 104 to 115 millions and interest-bearing deposits from 301 to 317 millions.

Total assets of the Bank are at \$464,469,585. This sum, which exceeds by nearly 25 millions the corresponding figure of last year, had never been reached before. Cash assets have risen from \$71,137,804 to \$78,527,364 and are equal to 17.54% of liabilities to the public. Quick assets aggregate \$263,922,659, an increase of \$2,242,542, and represent 58.94% of liabilities to the public. Investments amount to \$182,829,385, as compared with \$186,986,305 on November 30, 1950. This decrease of about four millions is due to the growth of commercial loans.

A rise of \$23,860,071 has brought current loans and discounts to the record amount of \$176,151,596. It goes without saying that inflation has played an appreciable part in this increase which might have been more substantial still if, according to an agreement between the Bank of Canada and the chartered banks, we had not restricted our loans to the essential requirements of our clients engaged in agriculture, industry or trade.

It is perhaps timely to warn the heads of businesses against the risks entailed by an excessive accumulation of materials or goods. In various lines of industry and commerce, inventories show an important increase in comparison with the previous year.

The Bank, during the financial year 1950-51, has opened two branches: one at Westmount, the other at Magog; it has established

agencies at Manicouagan, at La Macaza and at Morin Heights; it has converted into branches its agencies at Fleury Street, Montreal, and in St. Jean Baptiste, Manitoba, and it has closed its agencies at Grand Cascapedia, Quebec, and at Vernon, Ontario. The Bank maintains at the disposal of its clients and of the public 550 offices: namely, 243 branches and 307 agencies, as well as a subsidiary in Paris.

It is, every year, a pleasant duty to thank the staff of the Bank for the devotion and the diligence which it has brought to the performance of its duties. In recognition of the services which it has rendered during the past financial year, the Board of Directors has voted, in addition to salary increases, a general bonus of 12%.

ADDRESS OF THE PRESIDENT

Gentlemen,

Since the last shareholders' meeting, the Bank has deeply regretted the passing of the Chairman of the Board, who died on April 9th, 1951. For forty years, Mr. Leman had placed at the service of our institution his great competence, his untiring activity and his experience of men and business. His colleagues, as well as every member of the staff of the Bank, will long retain the memory of the distinguished man and enlightened patriot Mr. Beaudry Leman was.

On July 13th last, the Directors elected as his successor on the Board, the Honorable F. Philippe Brais, K.C., Legislative Councillor and member of the board of several important companies.

Outline of Economic Conditions

The year just concluded will have been a period of great production and economic expansion.

Agricultural production shows, throughout the country, a substantial increase. According to official estimates, the wheat harvest this year, despite bad weather which has reduced its volume, will reach some 560 million bushels, a hundred millions more than in 1950. It was exceeded only once, in 1928, when a record figure of 567 million bushels was established. Although the field crops of Western Canada have suffered serious damage, they will supply a proportion of milling grade wheat much higher than the previous year.

Other cereals are also plentiful. The preliminary estimates of the Dominion Bureau of Statistics bring up to 1,856 million dollars the gross value of field crop production and, when final figures for the year are available, it may be that the gross value of field crops will have reached, for the first time, two billion dollars.

The returns from the soil and from stockbreeding have shown a general upward trend throughout the country. Consequently, although there was a decline in farm product prices in October for the third consecutive month, it is estimated that the income from agricultural operations last year will have reached a record figure.

Mining developments, as well as smelting and refining of non-ferrous metals, are in full swing. If the extraction of gold, silver, lead and coal has fallen off slightly, increase in demand, both at home and abroad, has accelerated the production of numerous minerals such as asbestos, iron ore, copper, nickel, zinc and petroleum. The rapid development of the Western oil-fields, the exploitation of iron ore in Ungava and of titanium on the North Shore of the St. Lawrence, as well as the contemplated working of several other mineral deposits promise to give to the mining industry of Canada an expansion which probably will exceed all expectations.

Forestry operations have found a strong stimulus in the increased exports of newsprint and of lumber and timber, as well as in the growing activity of the building industry. The value of building permits for the first ten months of 1951 already exceeded two billion dollars. This figure had never been reached previously, even during a twelve month period. The total value of contracts awarded in 1950, although a record year, was set at 1,525 million dollars. However, in September and October, house building suffered severe setbacks. Indeed, since May a downward trend had been in evidence, coinciding with the restriction of Federal Government loans for housing purposes.

Considerable as was the industrial activity last year, it was lacking in stability. After reaching its peak during the month of May, it showed a sharp decline in the following quarter, recovering only slightly in the month of September.

The regression, in comparison with May, has been particularly marked in the automobile industry and in that of electrical equipment for domestic use, as well as in such industries as tobacco, textiles, clothing and rubber goods. The carrying out of the re-armament program, in spite of the large expenditures already involved, has not assumed the scale that the Government had

forecast. Thus, industries concerned with National Defence have not yet absorbed all the man-power available. Production will be speeded up this year, more particularly in airplane factories and in armament and munition plants, as well as in shipyards, electronics, textile mills and clothing establishments.

The Province of Quebec

The population, by an increase of more than half a million since the end of the last war, now exceeds the four million mark. Quebec remains an important agricultural district, the production of which was valued last year at \$475,000,000. However, since 1939, the Province has been industrialized at such a rate that agriculture, despite the progress it has made, has fallen back from the second to the fourth place.

The great number and power of waterfalls distributed throughout its territory are doubtless the main factor in the remarkable expansion of the Province of Quebec. Since 1945, the output of electric-power stations has risen from four and a half million to some seven million h.p. Important harnessing operations, presently under way or planned for the future, will again result in considerable power increases during 1952 and the following years. It is estimated that between now and 1953, the Government and private enterprise will invest one and a half billion dollars in the installation of hydro-electric power and in mining development.

Mining production, which has doubled in ten years, will have reached, according to estimates, between 235 and 240 million dollars in 1951. And prospects are brighter than ever. Ilmenite deposits at Lac Allard are being exploited at an ever growing rate and the Sorel smelting plant, which processes this ore, is rapidly enlarging the volume of its operations. Within two or three years the railroad which will transport the Ungava iron ore to Seven Islands will have been completed. Plans have been made for the development of the zinc beds in the north of the Province and the copper and zinc deposits in Gaspesia. Furthermore, the construction of an important non-ferrous metal smelting-works is being contemplated, and the expansion of aluminum and asbestos production, among others, renders new mills necessary.

The value of manufacturing in 1951 is estimated at four and a half billion dollars. This figure, substantial as it is already, will doubtless be exceeded in the near future. While several enterprises

are being enlarged, an increasing number of American and European industrialists have established plants in Quebec during the past year or are contemplating to do so. The new factories and mills are engaged in the most varied lines of production, notably in food-stuffs, furniture, textiles, clothing, chemical and pharmaceutical products, ceramics, leather processing, electrical equipment, heavy machinery and building materials.

The variety afforded by these new industries will offer strong guarantees of stability. Most of the industrialists from abroad prefer small cities or even towns. The decentralisation of industry will create in many districts both employment and an outlet for farm products. Thus it will be a factor for stabilization and economic progress.

Foreign Trade

The value of the foreign trade of Canada had already exceeded, on October 31st last, the total for the twelve months of 1950. These results appear to be most favorable. However, when they are analysed, it is found that they bring with them various grounds for concern.

The excessive concentration of our trade entails the risk of compromising its stability. On the other hand, as its importance depends to some extent on an abnormal situation, it could not be said that the progress recorded today is a guarantee for the future.

We are doing more than two-thirds of our foreign business with one country alone. During the first ten months of last year, our exports to the United States were valued at \$1,928 million, only 122 millions less than during the twelve months of 1950. But our imports from the neighboring Republic have increased in a greater proportion. They reached the sum of 2,385 millions, which represents a rise of 255 millions in comparison with the whole of the previous year.

To this unfavorable trade balance of 457 millions, which will probably have been brought to some 500 to 600 millions during the last two months of the year, are to be added the *invisible* elements of our international accounts: payments of dividends and interests, transportation costs, etc. In 1950 these items amounted to 580 millions. The credit side of our accounts shows our sales of monetary gold and the expenditures of tourists in Canada. But this latter source of income will have been appreciably less substantial last year than in 1950. It is, therefore, to a very great extent,

American investments in our country which will have prevented a serious depletion of our gold and exchange reserves. It is obvious that the influx of United States capital cannot be maintained indefinitely at this accelerated rate.

The United Kingdom, despite the prevailing shortage of dollars, could hardly reduce its purchases in Canada, since these are already down to essential requirements. In fact, it has increased them in a fairly substantial way. During the first ten months of 1951, they totalled 511 million dollars. In the previous year, they were only 472 millions. Our imports for the ten months of 1951 are valued at 368 millions. Our trade with the United Kingdom therefore shows a favorable balance of 143 millions.

Since 1946, the ratio of our exports to the United States to our total exports has risen from 38 to 65 per cent, whereas the percentage of our sales to the United Kingdom and to other countries declined from 26 to 15 and from 36 to 20, respectively. Such a concentration of our foreign markets is fraught with obvious dangers. The satisfaction which we feel in face of the remarkable development of our trade with the United States should not make us lose sight of the fact that its stability is always at the mercy of economic fluctuations which the neighboring country may experience and even of a rewriting of its customs tariff, under the pressure of political influences.

It would, therefore, be most advisable to extend our outlets and to find new markets in the countries of South America, Central America, Europe, Asia and Africa.

The day when the requirements of rearming cease to contribute such an important element to trade between the United Nations as they do now, a serious problem may arise in Canada as well as in the United States. Will their high costs of production allow them to sell the tremendous exportable surpluses available as a consequence of the considerable development of their national equipment?

Canada will always find markets for products which the world cannot do without, such as grain, wood and minerals. But the outlets for various manufactured goods might well prove to be difficult to find, if we are not successful in reducing our costs in order to face the competition of countries where production is less costly, and in such a way as to place our goods within the reach of numerous peoples whose buying power is much lower than the standard reached in North America.

Inflation

The wholesale price index has shown a certain relaxation during the second half of 1951. These fluctuations, which were very slight indeed, are perhaps attributable to a temporary slackening in the demand of numerous concerns which had accumulated stocks since the beginning of hostilities in Korea. But it would be dangerous to assume that inflation has now passed the acute stage. The conditions which give rise to inflation are ever present. They show a tendency to get worse rather than better.

As is well known, inflation is one of the inevitable consequences of war. Participation in an armed conflict, entailing tremendous expenditures, immeasurably swells monetary circulation without bringing about any corresponding increase in the production of consumer goods. Hence, there results an imbalance which causes currency depreciation or, in other words, a reckless jump in prices.

The carrying out of the rearmament program as it develops will increase the inflationary drive. All the more so, because National Defence expenditures, originally estimated at five billion dollars for the next three years, might well substantially exceed that figure, as a consequence of monetary depreciation.

These tremendous costs should be compensated for, in some measure, by a marked curtailment of other public expenditures. Up to the present, the Federal Government, the Provinces and the Municipalities, far from reducing their budgets, have increased them at an ever-growing rate. Their total expenses, which were only \$1,181 million in 1939, have risen to \$2,917 million in 1948 and to \$3,826 million in 1949. It is estimated that, at the end of the present financial year, they will have exceeded five billions. It would be in the general interest to postpone all undertakings which are not urgent.

The most effective means to lessen the consequences of inflation is in the hands of the public itself. It consists in increasing productivity without raising the costs of production, and in practising both moderation and prudence in the conduct of its affairs and in the planning of its family or personal budget. The practice of thrift has never been as necessary as it is today.

Inflation can become as dangerous as the threat of war itself. So National Defence does not require merely a vast rearmament program. It also demands a program for the stabilization of the national economy, in which all citizens are called upon to play a

part. In September last, at a luncheon held at the Toronto Exhibition, the president of the *American Federation of Labor* made a statement which should be the key-note of the policy for the present hour: It is important, said Mr. William Green, to realize that it is no longer today a question of a class struggle or of a conflict between capital and labor, because the whole of society would be destroyed should communist autocracy happen to triumph.

The course of events since the end of the war reveals with the utmost clarity that the solidarity of all classes is today more necessary than ever. The particular interest of each class, as well as the general interest, enjoins business leaders and labor leaders to co-operate loyally, in a spirit of harmony and mutual understanding.

Prudence Is Necessary

According to estimates, the value of national production last year will have reached between 20 and 21 billion dollars. It amounted to 18 billions in 1950. This is a substantial increase, even if the rise in prices is taken into account. An official survey, in course of preparation, indicates that in 1951 Canadian and foreign investments, including capital expenditures by Governments, which were valued at 4,561 millions in January last, will amount to 4 billions 800 millions.

The tremendous progress of the Canadian economy should not make us forget that the boom period through which we are passing, if it depends largely on the development of the country's industrial equipment, is also dependent on the investment of considerable sums for National Defence purposes. This is an important distinction, because economic production alone contributes, in the final analysis, to the enrichment and progress of a nation. Armament production, however justifiable it may be, can never be but a cause of impoverishment and a factor of disorganization.

Canada possesses immense natural resources, the development of which is being pushed forward with unprecedented vigor; it commands increased and improved means of production, and most economic indices point upwards. Yet, it should not be forgotten that our country is all the more vulnerable because its economic life is in large measure tied up with the condition of its foreign markets. Fluctuations in other countries or the unfolding of world events are likely to have serious repercussions on the Canadian economy. It appears then commendable to maintain an attitude of reserve

and to bring to the conduct of business the caution required by the situation in which we find ourselves, which is neither war nor peace.

The scrutineers reported that 32,031 shares were present and 317,482 represented by proxy at the Meeting, a total of 349,513 shares.

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

It was moved by Mr. Paul A. Béique, seconded by Mr. A. L. Caron, that the Shareholders, gratified with the most satisfactory results achieved during the past year, wish to tender their sincere congratulations to the President and the Directors of the Bank.

The motion was unanimously adopted.

The President, on behalf of the Board, thanked the movers of the resolution and the Meeting, adding that the congratulations of the Shareholders were highly appreciated.

Mr. J. Alexandre Prud'homme moved, seconded by Mr. J. Théo. Legault, jr., that the Shareholders extend their hearty thanks to the General Manager, the officials, the branch managers and the whole staff for the devotion with which they have performed their various duties and for their contribution to the further and substantial progress of the Bank in 1951.

The General Manager expressed his gratitude and that of the members of the staff to the movers of the resolution and to the Meeting.

The Secretary read letters from Mr. Maurice Chartré, C.A., of Chartré, Samson, Beauvais, Bélair & Co., and from Mr. A. Ballantyne, C.A., from Peat, Marwick, Mitchell & Co., offering their services to the Bank as auditors for the fiscal year 1951-1952.

Upon motion of Mr. Léonce Beaudry, seconded by Mr. Eugène Tarte, it was unanimously resolved that Messrs. Maurice Chartré, C.A., and A. Ballantyne, C.A., be appointed auditors for the fiscal year ending November 30, 1952, and that their remuneration be set at a total amount of \$15,000 to be divided between them according to the time devoted by each to the affairs of the Bank.

It was moved by Mr. J. Albert Blondeau, seconded by Mr. Emile Massicotte, and unanimously resolved: That Mr. Charles St-Pierre, Mr. Charles Laurendeau or the Honorable Jacob Nicol,

each acting singly, or any other Director the Board may appoint, be authorized to act as attorney or proxy of Banque Canadienne Nationale at any and all meetings of the shareholders of Banque Canadienne Nationale (France).

Mr. J. V. Desaulniers moved, seconded by Mr. René Paré, 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. A. Amyot
Hon. F. Philippe Brais
Mr. Armand Chaput
Mr. Aristide Cousineau
Mr. Auguste Desilets, K.C.
Hon. J. M. Dessureault
Mr. Geo. T. Donohue
Hon. Wilfrid Gagnon
Mr. Charles Laurendeau, K.C.
Mr. A. J. Major
Hon. Jacob Nicol
Hon. Alphonse Raymond
Mr. Leo G. Ryan
Mr. Charles St-Pierre

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. Charles St-Pierre was elected President and Managing Director of the Bank, and Mr. Charles Laurendeau and Hon. Jacob Nicol were elected Vice-Presidents.

NATIONAL CANADIAN BANK

243 Branches and 307 Agencies in Canada

72 Branches in Montreal

15 Branches in Quebec City

OTHER BRANCHES

IN QUEBEC

Acton Vale
Amos
Bagerville
Baie Comeau
Baie St. Paul
Beauceville
Beauharnois
Belœil
Berthierville
Bic
Bienville
Cabano
Cadillac
Cap aux Meules
Cap de la Madeleine
Cap de la Madeleine Ouest
Chandler
Charlesbourg
Chicoutimi (2)
Coaticook
Contrecoeur
Deschaillons
Dolbeau
Donnacoona
Drummondville
Farnham
Ferme-Neuve
Gaspé
Gracefield
Granby (2)
Grand'Mère
Hudson
Hull (3)
Iberville
Joliette
Jonquière
Kénogami
La Malbaie
L'Annonciation
Laprairie
La Sarre
L'Assomption
La Tuque
Lauzon
Lévis
L'Islet
Longueuil
Loretteville

Lorrainville
Louiseville
Magog
Malartic
Mariville
Matane
Métabetchouan
Montebello
Mont Joli
Mont Laurier
Montmagny
Montréal-Sud
Nicolet
Paspébiac
Plessisville
Portneuf
Princeville
Rawdon
Rigaud
Rimouski
Rivière-du-Loup (2)
Roberval
Rouyn
Roxton Falls
Ste. Adèle
St. Aimé
Ste. Anne des Monts
Ste. Anne de Beaupré
Ste. Anne de la Pérade
Ste. Anne de la Pocatière
St. Anselme
St. Camille de Bellechasse
St. Casimir
St. Charles
St. Eustache
St. Evariste Station
St. Félix
St. Félix de Valois
St. Gabriel de Brandon
St. Georges de Beauce
St. Hyacinthe (2)
St. Jacques l'Achigan
St. Jean
St. Jérôme
St. Joseph d'Alma
St. Joseph de Beauce
St. Joseph (Richelieu)
St. Lambert
Ste. Marie de Beauce

St. Martin
Ste. Martine
St. Ours
St. Pacôme
St. Pic de Bagot
St. Prosper
St. Raymond
St. Rémi
St. Romuald
Ste. Rose
Ste. Scholastique
Ste. Thérèse
St. Tite
St. Vincent de Paul
Senneterre
Sept Îles
Shawinigan Falls (3)
Sherbrooke (3)
Sorel
Terrebonne
Thetford Mines
Trois Pistoles
Trois-Rivières (2)
Valcourt
Val d'Or
Valleyfield (2)
Dorion-Vaudreuil
Victoriaville
Ville-Marie
Wakefield
Warwick

IN ONTARIO

Casselman
Eastview
Fournier
Hawkesbury
L'Orignal
Ottawa (2)
Sturgeon Falls
Sudbury
Toronto
Vankleek Hill
Verner

IN MANITOBA

St. Boniface
St. Jean-Baptiste
St. Pierre
Winnipeg

Principal Correspondents of the Bank

UNITED STATES

NEW YORK:

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

BOSTON:

First National Bank
National Shawmut Bank

BUFFALO:

Marine Trust Company of Western New York

CHICAGO:

Continental Illinois National Bank and Trust Co.
First National Bank of Chicago

LOS ANGELES:

Security-First National Bank of Los Angeles

PHILADELPHIA:

Philadelphia National Bank

PITTSBURGH:

Mellon National Bank and Trust Company

ST. PAUL:

First National Bank

SAN FRANCISCO:

Bank of America National Trust & Savings Association

WASHINGTON:

Riggs' National Bank

BELGIUM

ANTWERP:

Banque de Commerce

BRUSSELS:

Banque de Bruxelles
Crédit Lyonnais

SPAIN

BARCELONA:

Banco Espanol de Credito

FRANCE

PARIS:

Banque Canadienne Nationale (France)
Banque Nationale pour le Commerce et l'Industrie
Banque de Paris et des Pays-Bas
Comptoir National d'Escompte de Paris
Crédit Commercial de France
Crédit Lyonnais
Crédit du Nord
Société Générale
Société Générale de Crédit Industriel et Commercial

ENGLAND

LONDON:

Barclays Bank Limited
Clydesdale & North of Scotland Bank Limited
Comptoir National d'Escompte de Paris
Crédit Lyonnais
Société Générale de Crédit Industriel et Commercial

NETHERLANDS

ROTTERDAM:

Rotterdamsche Bank, N.V.

ITALY

ROME:

Credito Italiano
Banca Commerciale Italiana
Banco di Roma
Banca Nazionale del Lavoro

NORWAY

OSLO:

Christiania Bank og Kreditkasse

SWITZERLAND

BASLE:

Société de Banque Suisse

ZURICH:

Société de Banque Suisse

Other correspondents in all parts of the world.



