

BANK OF MONTREAL.

To the Shareholders :

The Directors beg to present the following statement of the result of the business of the Bank, for the year ended 30th April, 1873 :—

Balance of Profit and Loss Account, 30th April, 1872	-	-	-	-	-	-	\$223,196 34
Profits for the year ended 30th April, 1873, after deducting charges of management and making full provision for all bad and doubtful debts	-	-	-	-	-	-	1,820,813 42
Surplus Premium over 25 per cent. realized on sale of 1,432 unsubscribed Shares, 15th June, 1872	-	-	-	-	-	-	283,536 00
Surplus Premium over 20 per cent. realized on sale of 2,608 unsubscribed Shares, 23rd April, 1873	-	-	-	-	-	-	293,400 00
Twenty per cent. premium received on issue of \$4,000,000 new stock	-	-	-	-	-	-	800,000 00
							\$3,420,945 76
Dividend 6 per cent. and Bonus 2 per cent., paid December, 1872	-	-	-	-	-	-	\$630,300 00
Dividend 6 per cent. and Bonus 2 per cent., payable June, 1873	-	-	-	-	-	-	813,259 93
Premium distributed to Shareholders who did not avail themselves of the privilege of subscribing for the 1,432 shares sold 15th June, 1872	-	-	-	-	-	-	283,536 00
Premium to be distributed on 18th June next to Shareholders who did not subscribe for the 2,608 shares sold 23rd April last	-	-	-	-	-	-	293,400 00
							\$2,020,495 93
							\$1,400,449 83
Carried to Rest Account	-	-	-	-	-	-	1,000,000 00
							\$400,449 83

E. H. KING,
President.

MONTREAL, 16th May, 1873.

BANK OF MONTREAL.

ANNUAL GENERAL MEETING.

HELD 2nd JUNE, 1873.

(From THE HERALD, June 27th. 1873.)

The fifty-fifth annual meeting of the above Bank was held at the Banking House yesterday.

The following stockholders were present, viz:—

Messrs Wm Murray, J G Mackenzie, John J Arnton, John Molson, Henry Lyman, Thomas Workman, W McCrae, Thomas Davidson, Robt Moat, Walter Macfarlan, G W Campbell, M D; T W Ritchie, E G Penny, Joseph Walker, Thomas Cramp, Geo Stephen, Thos Tiffin, T M Bryson, David Torrance, R W Shepherd, J S Watt, H J Strathy, W B Cumming, J Moat, Robert Anderson, C W Hagar, E Hagar, D McIntyre, Jas Burnett, H A Saunders, W O Smith, H Mackenzie, N J McGillivray, J Benny, D Coulson, Thomas McDuff, John Torrance, Wm Rhind, John Dillon, Frank Bond, J M Botteril, Robt Muir, R Campbell junr., E K Green, John Smart, J H Joseph, R Bolton, Thos Darling, Thos Wilson, S Waddell, A H Lunn, John Crawford, Geo W Simpson, R Grindley, T A Foster, Alex Clerk, J Hempstead, C A Clarke, W Salter, Jas O'Brien, J D Crawford, Henry Thomas, Edward Mackay, A McK Cowie, Monk Moss, O J Devlin, John McDonald, R J Reekie, John Ostell, Alex Crawford, Hugh Mackay, Robt Esdaile, E S Freer, B Gibb, Hon Henry Starnes, Hon D A Smith, Dr Fisher, Sir A T Galt, Mr H Gawne.

Hon. HENRY STARNES moved that the President, Mr. E. H. King, do take the chair, which being carried,

The PRESIDENT said that the first business on hand was the choice of scrutineers and of a secretary, and it was thereupon

Moved by GEORGE MACRAE, Esq, seconded by JOSEPH WALKER, Esq,

That the following gentlemen be appointed to act as Scrutineers:—W. B. Cumming and Thomas Davidson, Esqrs, and that R. A. Lindsay, Esq, be Secretary of this meeting."

The PRESIDENT then called on the General Manager, Mr. R. B. Angus, to read the report.

Mr. Angus accordingly read the report as follows:

The Directors beg to present the following statement of the result of the business of the Bank, for the year ended 30th April, 1873:—

Balance of Profit and Loss account, 30th April, 1872,....	\$223,196 34
Profits for the year ended 30th April, 1873, after deducting charges of management and making full provision for all bad and doubtful debts.	820,813 42
Surplus Premium over 25 per cent. realized on sale of 1,432 unsubscribed shares, 15th June, 1872.....	283,536 00
Surplus Premium over 20 per cent. realized on sale of 2,698 unsubscribed shares, 23rd April, 1873.....	293,400 00
Twenty per cent. premium received on issue of \$4,000,000 new stock.....	800,000 00
	<u>\$3,420,945 76</u>

Dividend six per cent. and Bonus 2 per cent. paid December, 1872	\$630,300 00
Dividend six per cent. and Bonus 2 per cent., payable June, 1873.	813,259 93
Premium distributed to Shareholders who did not avail themselves of the privilege of subscribing for the 1,432 shares sold 15th June, 1872.	283,536 00
Premium to be distributed on 18th June next to Shareholders who did not subscribe for the 2,698 shares sold 23rd April last.	293,400 00
	<u>\$2,020,495 93</u>
	\$1,400,449 83
Carried to Rest Account.....	1,000,000 00

Balance of Profit and Loss carried forward.....	\$400,449 83
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The Directors congratulate the Shareholders upon the continued prosperity of the Bank. The profits shown in the Report, viz.: \$1,820,813.42, were realized upon a Capital of \$9,022,214, which was the average amount available during the past year. This result is the more satisfactory from having been obtained in the face of a loss of \$3,300,000 in deposits within the year—composed chiefly of withdrawals of public deposits by the Dominion and Provincial Governments. The issue of New Stock, bringing the Subscribed Capital up to \$12,000,000, have been successfully accomplished. By an arrangement, which the Direc-

tors considered fair towards those Shareholders who were unable to avail themselves of the privilege of subscribing for their proportion of the New Stock issues, parties so situated will reap an equivalent advantage from receipt of Cash Dividends, amounting to \$576,936, derived from the surplus premiums on the unsubscribed Stock sold for their account.

The sum of \$16,000, which has been added to Bank Premises Account, represents further expenditure upon the building now being erected at Ottawa, and upon improvements of the Bank's property at other points, and an additional amount may be required when the work is completed.

The Directors have to announce that the term of Mr. Kings' engagement having been reached, he has intimated his intention to relinquish the office of President and his connection with the Bank, and is not, therefore, a candidate for re-election as a member of the Board.

The Directors believe they express the universal feeling of the Shareholders, as well as their own, in stating that they contemplate with much regret the severance of Mr. King's connection with the Bank, which has been productive of so much advantage to the Shareholders individually, and which has so largely contributed to place this Institution in its present prosperous condition.

By order of the Board

R. B. ANGUS,
General Manager.

GENERAL STATEMENT.

Liabilities.

Capital Stock (subscribed \$12,000,000) paid up....	\$11,296,836 00
Rest	\$5,900,000 00
Balance of Profits carried forward	400,449 83
	<u>\$5,4 0,449 83</u>
Unclaim'd Dividends....	12 773 32
Half-yearly Divid'd payable June; 1873	813,259 93
	<u>6,226,483 08</u>
	\$17,523,313 08
Am't of Notes of the Bank in circulat'n	3,364,295 50
Deposits not bearing interest	6,349,250 50
Deposits bearing interest,	7,428,062 73

Balances due to other Banks and Institutions	587,682 26	
		17,729,300 99
		<u>\$35,252,614 07</u>
<i>Assets.</i>		
Gold and Silver coin current	\$1,902,272 55	
Government Demand Notes	2,142,233 14	
Balances due from other Banks and Institutions	7,599,990 67	
Notes and Cheques of other Banks	676,295 11	
		\$12,240,791 47
Bank Premises at Montreal & Branches		400,000 00
Bills of Exchange and Discounted Notes	22,485,991 62	
Debts Secured by Mortgage and other Securities	72,775 19	
Debts due to the Bank, overdue and not paid (Estimated loss, Nil)	53,055 79	
		22,611,822 60
		<u>\$35,252,614 07</u>

R. B. ANGUS,
General Manager.

BANK OF MONTREAL,
Montreal, 30th April, 1873.

The PRESIDENT then said that it had been usual on similar occasions to the present before the motion for the adoption and printing of the report to make some remarks and explanations upon its statements. But he was happy to say that on this occasion he thought no remarks were necessary. The results, as shown in the report, were all that could be desired. At the same time if any further information was required by any shareholder he would be happy to give it.

Moved by WILLIAM MURRAY, Esq. seconded by JOHN CRAWFORD, Esq.

"That the Report of the Directors now read be adopted and printed for distribution among the Shareholders."

In speaking to this resolution, Mr. MURRAY said, I need only add as the President has remarked, that this report requires very little to be said—it is in itself, so very satisfactory. I have only had it in my hands a very short time and have not given it all the consideration which I could have wished; but I see that last year there stood at the credit of profit and loss, a sum of \$223,196, and that there stands this year to the credit of the same account in round numbers \$400,442, leaving \$177,253. Add that to the \$1,000,000 carried to the rest account, and you have \$1,177,253, from which deduct

\$800,000 which was received as the premium for new stock, and you have a balance of \$377,253 profits realised from the business which on the average capital of the Bank during the year, together with the two dividends, will be more than twenty per cent. This result must be gratifying to every stockholder. Some two years ago I expressed the opinion that we could afford to pay a half yearly dividend of nine per cent, and if we may anticipate a continuance of such business as that of last year, I see nothing to prevent our friend Mr. Angus from declaring nine per cent dividends, nor anything to prevent the stock of the Bank from going up to 250. Two years ago we went wild about the stock and paid 290 and 300 for it. I had only ventured the opinion that it would go to 250, if we got nine per cent half yearly dividends. But if it was worth as much then, it ought surely to be worth as much now, and you may depend upon it, it will be. I have not spoken, and do not speak thus because I have been a speculator in the stock of the Bank. I have neither bought nor sold a share for twenty years, so that I have had no other object in the expression of opinion except that of guarding the shareholders against selling their stock before they know what it was really worth. We have been greatly indebted to Mr. King for placing the Bank in the position which it now occupies. He has had, it is true, favourable opportunities such as fell to few of his predecessors; but every Bank manager in the country had had the same if he had had foresight and nerve to avail himself of them. It must be with regret and reluctance that we shall part with Mr. King; but it is some comfort that he leaves us such an able man behind him as Mr. Angus, who I hope will be able to sustain the business of the Bank and at the same time the justice of my views by giving us nine per cent half yearly.

Mr. JOHN CRAWFORD, in seconding the resolution, said:—I think that, considering nearly four millions of capital has not been available to do its share in contributing to the dividend, the result of the year's business must be highly satisfactory. I participate in all the sentiments which Mr. Murray has expressed, except that which related to an increase of dividend. I hope the Bank will not make greater dividends, until at least fifty per cent of rest is created. As to the success which Mr. King has had, I will only add one observation—that the stockholders have reason for congratulation that the mantle of Mr. King will not be disgraced by falling on the next incumbent.

The PRESIDENT here stated:—That in consequence of the "Act relating to Banks and Banking" having taken the place of the old Charter of the Bank, a revision of the by-laws had become necessary; and therefore the outgoing Directors had caused to be made, and he now submitted, a draught of such by-laws, as, under the Act, it is competent to the shareholders to enact.

The by-laws so draughted, twelve in number, were then read, and, having been put to the meeting, *seriatim*, were adopted and passed as the by-laws of the Bank enacted by the Shareholders at their present meeting.

The following are the by-laws agreed to:—

I.—A general meeting of the Shareholders of the Bank of Montreal will be held at the Bank, in the City of Montreal, on the first Monday in the month of June in every year, for the election of Directors and other the general purposes of the Bank; and at every such meeting the out-going Directors shall submit the statement of the affairs of the Bank prescribed by the *Act relating to Banks and Banking*. [34 V. c. 5, s. 36.] If the day fixed for the annual general meeting, or for any special general meeting, of the Shareholders, shall fall on a legal holiday, the meeting shall be held on the next following day not being such legal holiday.

II.—No proxy or Attorney of an absent Shareholder shall be entitled to vote on the shares of his constituent at any meeting of the Shareholders, or to accept or transfer shares, or otherwise to act, for his absent constituent, until he shall have lodged in the Bank a duly executed and authenticated proxy or power of Attorney from his constituent in such form as the Directors may prescribe.

III.—For the management of the affairs of the Bank, the Shareholders, at each annual general meeting, shall elect, by ballot, a Board of nine Directors, who shall be capable of serving as Directors during the ensuing twelve months, and until they shall be replaced by their duly elected successors. Every such Director at the time of his election shall be, and during the then immediately preceding thirty days shall have been, and during his service as Director shall continue to be, the holder and absolute owner in his own and sole name and right [and not in any other right, or in trust for any purpose, person or party, or *in trust simply*], of not fewer than fifty of the paid-up shares of the Capital Stock of the Bank: provided always, that, until the annual general meeting and election of Directors to be held in June, 1874, the present qualification of twenty-five such shares shall be sufficient. At every annual general election the outgoing Directors, and each of them, shall be eligible for re-election.

IV.—No Director shall, during his service as such, act as private Banker, or as a Director, Manager or Officer of any other Bank or Banking Company, either public or private; and in case of the insolvency of a Director, he shall, *ipso facto*, cease to be a Director.

V.—A *quorum* of not fewer than three shall be necessary at every meeting of the Directors; and whenever in the interval between two annual general meetings of the Shareholders a vacancy shall occur in the Board of Directors, the remaining Directors shall, from among the qualified Shareholders, fill up the vacancy for the unexpired period.

VI.—At their first meeting after their election, the Directors [each having one vote,] shall, by ballot, elect two of their number to be, respectively, President and Vice-President during the same period; and, whenever a vacancy shall occur in either of those offices, the Board, after completion of their number, shall, in like manner, fill up the vacancy for the unexpired period; and, at every meeting of the Board, the President, or the Vice-President, or if both be absent the Director presid-

ing for the time being, shall vote as a Director [each Director having one vote], and in case of a tie shall also have a casting vote.

VII.—No Director shall be present at the Board of Directors at the discussion of any matter in which he, or the partnership of which he may be a member, shall be pecuniarily interested, except at the request of the Board; nor shall his vote be taken thereon.

VIII.—If ever the paid-up capital of the Bank shall become sunk to the extent of one-fourth thereof, a special general meeting of the Shareholders shall be immediately called by the Directors to decide on the measures proper to be adopted in the emergency; but if, in such emergency, the Directors shall not call a special general meeting of the Shareholders, their default shall, *ipso facto*, operate as and be a full and explicit renunciation of all restriction, and means of restriction, of liability in their favour, contained in the *Act relating to Banks and Banking* [34 Vic., c. 5], and in any Act [if any] amending the same, and they shall thereupon become and be, personally, and jointly and severally, liable to the full extent of the liabilities of the Bank, as well to the Creditors as to the Shareholders thereof; provided always, that no Director protesting against the proceedings of the Board, after a loss of one-fourth of the capital shall have been sustained, and giving publicity to his protest by public advertisement in the *Official Canada Gazette*, shall be held to incur, or to have incurred, any responsibility beyond the limitations of the said *Act relating to Banks and Banking*. This By-Law, and Sections Ten and Fifty-Eight of the said Act, shall be audibly read by the General Manager, or *pro* General Manager for the time being, to the Board of Directors at their first annual meeting after each annual general meeting of the Shareholders, and immediately after the election of President and Vice-President; and the reading of the same shall be recorded in the minutes of the proceedings of the day.

IX.—In each year any sum of money not exceeding fifteen thousand dollars currency may be taken by the Board of Directors from the funds of the Bank as remuneration for their services as Directors; and they may annually apportion the same among themselves in such manner as to themselves in each year may seem fit.

X.—The books for the transfer of shares shall be closed during the fifteen days immediately preceding the day appointed for the payment of a dividend; and the parties whose names shall, at the close of the books, stand as the Shareholders of the Bank, shall be the parties entitled to receive the dividend, and *bonus*, if any, then, or about to be, declared.

XI.—The Board of Directors may, from time to time appoint *local* Directors for the management of the affairs of the Branches of the Bank, and may fix their qualifications and remuneration, define their powers and duties, and revoke their appointment; but no such local Director shall at any time be appointed or serve as a local Director unless he be, and during his service continue to be, a holder in his own and sole name and right [and not in

any other name or right, or in trust for any purpose, person or party, or *in trust* simply], of not fewer than *ten* of the paid-up shares of the capital stock of the Bank.

XII.—Of the present By-Laws, the fourth, fifth, sixth, tenth, thirteenth and twentieth are hereby repealed, and the foregoing By-Laws are substituted for them; and, as to the remainder of the said present By-Laws, they shall continue in force until they shall have been repealed by a By-Law or regulation to be enacted by the Board of Directors.

It may be well to mention that the President called attention to the 3rd, 8th, and 9th of these by-laws. The 3rd would increase the qualification required for a Director from the possession of twenty-five to the possession of fifty shares, which must be held for thirty days before the election, in the same way as the qualification for voting; the 8th by-law, as to the steps to be taken in case of a diminution of the stock by losses, was framed at a time when it seemed possible that such an event might take place, of which he supposed there was now little probability; and the ninth made a change in the remuneration of the Directors from \$12,000 to \$15,000, which, considering the great increase in the extent of the stock and business of the Bank was thought not to be unreasonable. The by-law at present contained a provision for the money payable to him under his arrangement with the Board; that part was now, of course, repealed.

Mr. CRAWFORD would, if in order, ask whether an additional by-law could not be passed to restrict the number of proxies which could be placed in the same hands. It was reported that the President held so many proxies as to render him omnipotent to make or unmake Directors. He understood that it was within the powers of the stockholders to say how many proxies should be held by individuals and restrict the use of too many in the same hands. That was, of course, a great question to decide. The recent good management of the Bank was a potent argument that the present President had not abused the powers with which he was invested. But it might not be so always, and it did seem to him to be an anomalous condition of things that the Directors should be wholly subject to the President or to one of their own colleagues. It did seem to dwarf the independence of a Director, when he could not but know that a President had only to make use of his proxies to overrule him.

Mr. MACRAE thought the meaning of Mr. Crawford was to restrain him, or any one else, from giving his proxies to whom he pleased. He should be glad to know why his liberty should be thus restrained? If this rule were to be brought forward as a motion he should object to it. There was no compulsion to give proxies to the President or any one else. Each stockholder exercised his private judgment, and it would be wrong to control that judgment.

Mr. CRAWFORD said he complained that the accumulation of proxies in single hands neutralized the power of individual shareholders.

Mr. MURRAY did not understand that there was any disposition on the part of Mr. Crawford to prevent any one from selecting whom he liked to be his attorney.

The only question was whether there should not be some restriction on the number of votes than any one should hold by virtue of proxies. He was connected with one or two smaller companies, and in them the number of proxies which could be held by any one person was limited. That was a very proper rule. Again, he did not see why the holding of proxies should be confined to shareholders. He might hold shares in some concern at Toronto, and might know some person in whom he placed implicit confidence, but unless that person were a shareholder he could not act as proxy. He could not understand why any one should not act as attorney at a bank meeting, as well as at a meeting of creditors, or in any other body. If that were possible it would prevent so many proxies from falling into the same hands, and instead of Directors voting on five or six thousand shares, would perhaps confine them to votes on one thousand.

Mr. H. LYMAN said that in connection with another Bank, it had been felt that the proxy system, as now carried out, was injurious, and it was thought that the remedy would be found in a plan by which proxies should only answer for the election for which they were specially given, and should require to be renewed for every new election. That would obviate the difficulty now felt to exist; for if persons were applied to frequently for proxies, the persons who gave them would like to know why they were asked for; and at the same time this plan would not trench on any one's privileges. It would, however, prevent what he had known as a scrutineer to happen—that persons would use proxies, which had been granted twenty years before. He had even known parties coming forward to vote on proxies given by persons who were deceased. This was an abuse of a good and proper thing; but the object of Mr. Crawford would be attained by such a method as he had spoken of, which at the same time would not be contrary to the law regulating banking.

The President could only say that according to law a proxy must be a shareholder. That could not be altered. He was not clear, for it was a legal question, whether you could restrict the power of a shareholder to give his proxy to any one whom he liked. As to the large number of proxies held by Presidents, that arose from the fact that the President held his position from the confidence first of the great body of shareholders and afterwards of the Directors—it was the result of a double process—and if they made a change in this particular, the power of the President might become so much divided as to give rise to frequent changes, which would not be desirable. That was especially to be feared in so large a constituency as that which the stockholders of the Bank had now become. If a bank got into bad order, it was, no doubt, unfortunate that the power should rest so largely in single hands as to make it difficult to alter the management. But it was desirable that the President should be able to keep the Direction well together and avoid frequent changes. Of course, he had no further personal interest in the matter, but he threw out these remarks, because he thought that much might be said against the view taken by Mr. Crawford.

Mr. CRAWFORD asked if the proxies were held by the President in his own name, or in his official capacity, so that they would pass to his successor.

The PRESIDENT had not examined them for a long time; but believed they were divided, that some were in his own name, and that some would descend to his successor. But perhaps it would surprise them to learn that with the present enlarged constituency the whole of the proxies he held did not represent more than a tenth of the votes.

Mr. CRAWFORD said after these explanations he would withdraw his proposition.

Moved by THOMAS WORKMAN, Esq., seconded by HENRY LYMAN, Esq.,

“That the thanks of the meeting be presented to the President, Vice-President and Directors for their attention to the interests of the Bank.”

In speaking to this resolution, Mr. WORKMAN said I am quite satisfied that every gentleman in the room will concur in the words of this resolution, and will pass it with a great deal of pleasure, because every stockholder must be well convinced that the administration of the Bank has been most ably conducted; and if proof be necessary, which it is not, it was only necessary at look at the statement laid on the table that day. I do not believe that there is any example of a Bank in America, nor even in England, which can show a better statement, than that just submitted. We are, however, now to part with our Chairman and President, and his loss will be heard of by many with great regret; for though he sometimes has had enemies, and has not always been popular, he has worked with a single eye to the sound management of the Bank, at which he has laboured with a zeal and energy that has commanded uniform success. He has been general manager and President for only about twelve years, and at the beginning of that time, the stock of the Bank was only at 9 or 10 premium. It was now doubled in amount and stood at 182. His exertions and those of the Board of Directors have added to the capital and profits of the Bank some six or even eight millions, a great gain to the country and of course to every gentleman here. We are mainly indebted for that to Mr. King. There is another subject to which I may, perhaps, be permitted to allude, for although it has not been broached here, it has been discussed out of doors. I am speaking of Mr. King's commission on the profits made from the increase of capital which out of doors created a great deal of feeling. I may say that I have within a short time learned something about this commission, and I now think that Mr. King has acted very handsomely in withdrawing his claim, for that claim was submitted to the regular legal adviser, and to the standing counsel of the Bank, in so candid a manner that if Mr. King had been only a stockholder and his interest had been that the commission should not be paid, it could not have been put in more proper form. These gentlemen both gave their opinions in a very strong manner in favour of this commission being paid on the premiums of the new stock. I believe that opinion was confirmed by eminent legal

men in Ontario, but Mr. King, on his return from England, finding that some objection had been raised to his receipt of the money, withdrew his claim in the most handsome manner. I was, myself, of opinion that Mr. King had no claim at all, but my judgment has been very much shaken since I saw these legal opinions. It has been thought, indeed, that it could not be maintained. Perhaps it could not be—I doubt it myself—but Mr. King has the best opinions in favour of its validity, and yet he has withdrawn it. It is a large sum, and in doing so he has put a large amount to the reserve fund, which would otherwise not be there. I do not know whether I am intruding in making this statement, but I think it proper that every stockholder should know the facts.

Mr. H. LYMAN—I looked upon the success of the Montreal Bank as a national matter of great importance, of which the country might be justly proud. It affected the standing of all our institutions, for as the stock of the Montreal Bank rose or fell, so were the stocks of the other banks affected. Mr. Workman had touched on a delicate subject, but had handled it with delicacy, and he, Mr. Lyman, was glad it had been clearly explained. He believed that it was not uncommon to come to meetings like that, to say little, but think much, and go out and talk a great deal, well all would have been well, had there been an *éclaircissement*. He was grateful to the gentlemen who had undertaken to manage the Bank, and who had done it so successfully, and thought that it would not be at all too flattering to offer them the thanks of that large body of stockholders.

Mr. CRAWFORD said his attention had been called to the deposit account, in which he found a considerable falling off as compared with former years, and thought it would be greatly for the advantage of the Bank to define its policy on that subject. He then gave the figures for the last two or three years to illustrate what he said, and contended that instead of some fourteen millions of deposits the Bank should now have forty millions in order to place her in the same position in this respect which she formerly held. He held that if the Board would say that it was its desire to attract deposits by giving adequate interest, the amount of this account might be greatly increased, because, owing to its high standing and reputation, the bank had given smaller interest than other banks, and yet secured deposits.

The PRESIDENT thought it inexpedient to ask for a declaration of policy at the moment of a change in the administration. For his own part he could hardly define the policy of the Bank when he was just about to leave the chair. He had no doubt, however, that the incoming Directors would do what they could to meet Mr. Crawford's views.

Mr. MURRAY considered that while money was so dear more interest might be given; but doubted whether things could continue as they were, as he thought the Banks had been a little too keen in charging their 8 and 10 per cent. for money, and that 7 per cent. was enough for sound paper, let them charge what they pleased for bad.

The PRESIDENT then said:—On behalf of

myself and the Directors, I thank you for the vote you have passed so unanimously. The Directors in the past, and I have no doubt in the future, will uphold the high character, for which you have shewn your esteem, for I forget how many years past. As to the personal matter, which has been alluded to, I had no expectation that it would have been brought up. My thanks are, however, due to Mr. Workman and to the meeting for the kind and handsome manner in which he has made, and they have received, an explanation, which was strictly true. I take no credit to myself for what I have done in that matter. I simply made up my mind, as I was leaving in question were not contemplated when I made the arrangement with the Board—because no one would at that time have supposed it possible to make such profits in such a manner—that I could gracefully abandon them, especially as I was leaving the Bank. These were the facts, and perhaps it was as well that they should have been alluded to.

Moved by Sir A. T. GALT, seconded by Hon. D. A. SMITH,

“That the thanks of the meeting be given to the General Manager, the Managers, Agents and other officers of the Bank for their services during the past year.”

In speaking to this resolution, Sir A. T. GALT said, subject to the control of the Directors, the success of this institution must be due in a great measure to the manner in which the executive duties of the Bank were performed, and now that the President was leaving the Bank, it must be gratifying to all to know that the institution had in the person of Mr. Angus such a worthy successor. He trusted that in the future a similar reputation to that which it had enjoyed in the past would attend the course of the institution.

Hon. D. A. SMITH had great pleasure in seconding the motion for a vote of thanks to the General Manager and other officers of the Bank, who, under the President, had so long and so ably conducted its affairs. It was but another proof of the President's disinterestedness to find, not only that he had chosen, but that he had so to speak, trained up such a worthy successor to himself. It could not but be a source of great satisfaction, and of confidence to every shareholder to know that the interests of the Bank would be entrusted to the care of a gentleman so competent as the present general manager.

The PRESIDENT said that before putting this motion to the vote, he would only repeat, if it were necessary to do so, what he had said on a previous occasion, his entire confidence in the general manager and the other officers of the Bank.

Mr. ANGUS for himself and on behalf of the managers, agents and other officers of the Bank, thanked the meeting for this mark of its confidence and for the expression of its good wishes, and assured them of the continued fidelity and zeal of the officers in the service of the Bank.

Moved by Dr. CAMPBELL, seconded by Mr. THOMAS CRAMP,

“That the ballot now open for the election of Directors be kept open until three o'clock and no longer, and that until that hour, and for that purpose only, this meeting be continued.”

Mr. MURRAY then addressing the meeting said it would be recollected that at the last annual meeting, a sum of money was voted for the purchase of a service of plate to be presented to the President. That service of plate was now to be seen in the manager's room, but having been appointed the Chairman of the Committee to carry out that purchase and presentation, he now wished to read the address to Mr. King which had been prepared by the committee. He would read it, and then they might step into the other room and see the plate.

ADDRESS.

SIR,—As Chairman of the Committee, named at the last annual meeting, it affords me much gratification to have been selected as the exponent of the sentiments of the shareholders of the Bank of Montreal on this occasion.

It is now ten years since you were called on to assume the chief management of the Bank after having rendered the Institution important services during the previous six years. You have had too much experience in life not to be aware that no one could hope to conduct the business of so important an Institution, without being subject to adverse criticism, but you have the satisfaction of knowing that your administration of the affairs of the Bank of Montreal has met with such cordial approbation from your constituents that in pursuance of a unanimous vote proposed at the last annual meeting, it is now my agreeable duty to present to you on behalf of the stockholders of the Bank of Montreal with a service of plate as a slight mark of their appreciation of the pre-eminent ability which has marked

your administration, and in grateful recognition of the distinguished services you have rendered to the Bank and the prosperous condition in which you leave it.

I need scarcely add that the severance of a connection which has proved so highly advantageous to this Institution, is the cause of deep and unfeigned regret to the shareholders.

I am sensible how inadequately I have given expression to the feelings which led the shareholders of the Bank to present to you the testimonial which I have now the honour to offer on their behalf; but I trust that you will be good enough to excuse any deficiency on my part, and that you will accept this service of plate with a renewed assurance of the esteem of the shareholders, and of their best wishes for the welfare and happiness of yourself and Mrs. King.

WM. MURRAY,
Chairman.

HENRY STARNES, Sec. and Treas.

The PRESIDENT replied as follows:—I thank the shareholders for the very handsome testimonial which you have presented in their name. It is true that during the long period in which I have been so prominently identified with the management of your affairs I have frequently been exposed to harsh and unfriendly criticism. As the world goes I have no reason to expect exemption from the common lot of those whose success or good fortune has been unusual. At all events I will not, on an occasion like the present, make further reference to matters that will have lost their interest with my retirement. Far rather will I associate the closing moments of my con-

nection with this Institution with the recollection of the unwavering confidence that I have ever met with from its shareholders, and which it is my happiness to know has resulted so satisfactorily. I hope to hear from year to year that you are still prospering — there is no reason why it should not be so; and it will give me the greatest possible pleasure to find that those whom I leave behind, and upon whom the chief burden in the future will fall, establish their claim to the same support and confidence that I have enjoyed at your hands. I thank you sincerely for the good wishes you have expressed towards Mrs. King and myself, and nothing more remains for me than to bid you, respectfully, farewell.

The following is the report of the Scrutineers, viz :

SIR:—We declare the following gentlemen duly elected Directors this day. G W Campbell, Esq, M D ; Sir A T Galt, K C M G ; Edward MacKay, Esq ; Peter Redpath, Esq ; T W Ritchie, Esq, Q C ; Hon Thomas Ryan ; Hon D A Smith ; George Stephen, Esq ; David Torrance, Esq.

We are Sir,

Your obdt Servants,

W. B. CUMMING.

THOS. DAVIDSON.

R. B. ANGUS, Esq., General Manager
Bank of Montreal.

The meeting then adjourned.

We may state that the service of plate bought for presentation to Mr. King will be on view at the Bank to-day, Tuesday, and that stockholders are invited to visit it, and to bring ladies who desire to see it.

GENERAL STATEMENT.

LIABILITIES.

Capital Stock (<i>subscribed</i> \$12,000,000) paid up	-	\$11,296,830 00
Rest	\$5,000,000 00	
Balance of Profits carried forward	400,449 83	
	\$5,400,449 83	
Unclaimed Dividends	12,773 32	
Half-yearly Dividend, payable June, 1873	813,259 93	
	6,226,483 08	
		\$17,523,313 08
Amount of Notes of the Bank in circulation	\$3,364,295 50	
Deposits not bearing interest	6,349,260 50	
Deposits bearing interest	7,428,062 73	
Balances due to other Banks and Institutions	587,682 26	
	17,729,300 99	
		\$35,252,614 07

ASSETS.

Gold and Silver Coin current	-	\$1,902,272 55
Government Demand Notes	2,142,233 14	
Balances due from other Banks and Institutions	7,519,990 67	
Notes and Cheques of other Banks	676,295 11	
	\$12,240,791 47	
Bank Premises at Montreal and Branches	400,000 00	
Bills of Exchange and Discounted Notes	22,485,991 62	
Debts Secured by Mortgages and other Securities	72,775 19	
Debts due to the Bank, over-due and not paid (<i>Estimated loss, Nil</i>)	53,055 79	
	22,611,822 60	
		\$35,252,614 07

BANK OF MONTREAL,
MONTREAL, 30th April, 1873. }

R. B. ANGUS,
General Manager.