

BANK OF MONTREAL.

Board of Directors.

DAVID TORRANCE, Esq., PRESIDENT.
 GEORGE STEPHEN, Esq., VICE-PRESIDENT.
 HON. T. RYAN, T. W. RITCHIE, Esq., Q. C.,
 P. REDPATH, Esq., SIR A. T. GALT, K.C.M.G.,
 G. W. CAMPBELL, Esq., M.D., EDWARD MACKAY, Esq.,
 HON. D. A. SMITH, R. B. ANGUS, Esq., GENERAL MANAGER.

R E P O R T

OF THE

DIRECTORS TO THE SHAREHOLDERS,

AT THEIR

FIFTY-SIXTH ANNUAL GENERAL MEETING,

HELD 1st JUNE, 1874.

THE DIRECTORS have pleasure in presenting the Fifty-sixth Annual Report accompanied by the usual statement of assets and liabilities, exhibiting the actual position of the Bank at the close of its financial year, on 30th April last: The balance at the credit of profit and loss account on 30th April, 1873, amounted to - - - - - \$400,449 83 And the net profits for the year, ended 30th April, 1874, after deducting charges of management and

making full provision for all bad and doubtful debts, are - - - - - 2,072,540 60

Making - - - - - \$2,472,990 43

From which have to be deducted:

Dividend 6 per cent. and bonus 2 per cent. paid December, 1873 - - - - - \$936,402 55

Dividend 6 per cent. and bonus 2 per cent. payable June, 1874 - - - - - 952,384 71

Together - - - - - 1,888,787 26

Leaving a balance of - - - - - \$584,203 17

To be carried forward.

The business of the Bank for the year has been prosperous, and the result has fully equalled the anticipations of

the Directors, enabling them to maintain the rate of Dividend and Bonus which has been paid for some years past.

Ample provision has been made for all possible loss on debts known to be bad or doubtful.

The average capital during the year as shown by the monthly balance sheets was \$11,804,919 as against \$9,022,214, mentioned in last report, and the increase calls for the distribution of \$445,228, over the amount of last year's dividend, to provide the returns to the shareholders now declared.

The surplus profits, \$183,753 34, have been added to the balance of \$400,449 83, previously reported at credit of Profit and Loss Account, and there is thus carried forward a fund of \$584,203 17, available without trenching upon the Rest to meet the contingencies incidental to a business of such magnitude as the Bank has attained through the augmentation of its capital.

A considerable sum has been expended during the year on the erection and alteration of bank buildings at Montreal and elsewhere, and the \$25,000 added to Bank Premises Account is fully represented by property acquired, and by improvements of a permanent character.

By your voluntary payment of nearly two million dollars, in addition to the calls made last year, the paid-up capital of the Bank now reaches to within a trifle of the amount authorized by the special general meeting of 27th November, 1872; and those shareholders who have not yet availed themselves of the privilege of paying up their stock in full, will doubtless see it their interest to do so without waiting for a special call.

Considering the intimacy of our relations with the United States, it is matter for congratulation that the Bank did not sustain any direct injury by the monetary panic which prevailed in that country, and affected our own community during the autumn of last year; but the consequent diminution in the volume of business which has since been universally experienced has materially interfered with the profits of the Bank. The sound condition of the country, however, warrants the expectation of an early return to commercial activity, in the benefits of which your institution will doubtless participate.

In compliance with the request of shareholders and others resident in Ontario, the Directors have authorized the opening of a Stock Register at the Toronto office, and facilities will hereafter be afforded for the transfer of stock to and from the Head Office register.

DAVID TORRANCE,
President.

GENERAL STATEMENT.

LIABILITIES.

Capital Stock (<i>subscribed</i> \$12,000,000) paid up	-	\$11,930,335 00
Rest	\$5,000,000 00	
Balance of Profits carried forward	581,203 17	
	\$5,584,203 17	
Unclaimed Dividends	12,013 59	
Half-yearly Dividend, payable June, 1874	952,384 71	
	\$ 6,548,601 47	
		\$18,478,936 47
Amount of Notes of the Bank in circulation	\$3,793,264 00	
Deposits not bearing interest	7,260,481 41	
Deposits bearing interest	8,970,996 49	
Balances due to other Banks and Institutions	963,218 83	
	\$20,987,960 73	
		\$39,466,897 20

ASSETS

Gold and Silver Coin current	-	\$1,868,499 85
Government Demand Notes	1,923,050 00	
Balances due from other Banks and Institutions	7,115,130 21	
Notes and Cheques of other Banks	850,706 73	
	11,757,386 79	
Bank Premises at Montreal and Branches		425,000 00
Bills of Exchange and Discounted Notes	27,125,760 03	
Debts secured by Mortgages and other Securities	96,789 52	
Debts due to the Bank, over-due and not paid (<i>Estimated loss, Nil</i>)	61,960 86	
	27,284,510 41	
		\$39,466,897 20

BANK OF MONTREAL, }
MONTREAL, 1st June, 1874. }

R. B. ANGUS,
General Manager.

BANK OF MONTREAL.

ANNUAL GENERAL MEETING.

HELD 1st JUNE, 1874.

(From the MONTREAL GAZETTE, and Daily News, 1874.)

The Annual General Meeting of the Shareholders of the Bank of Montreal was held at the Banking House in this city at one o'clock yesterday afternoon. There was a large attendance. Among the shareholders present were Messrs J G Mackenzie, D Toussaint, John Crawford, T W Ritchie, Q C G W Campbell, M D, Geo Macrae, Hon D A Smith, Messrs W B Cumming, R B Angus, Sir F Hincks, Hon Thos Ryan, Hon Hy Starnes, Messrs Peter Redpath, D L MacDougall, Thos Cramp, Hon J Ferris, G A Drummond, Thos Davidson, Alex. Clerk, Thos Workman, T M Thomson, &c &c.

Mr. DAVID TORRANCE, the President of the Bank, took the chair.

The CHAIRMAN having called the meeting to order, it was

Moved by Mr. GEORGE MACRAE, seconded by Mr. ALEXANDER CLERK: "That the following gentlemen be appointed to act as scrutineers, Mr. W B Cumming, and Mr. Thomas Davidson, and that Mr. R A Lindsay be the secretary of this meeting."—A motion.

Mr. R B ANGUS, General Manager, read the Report as follows:—

Report of the Directors to the Shareholders to be submitted to 56th Annual General Meeting on 1st June, 1874.

The Directors have pleasure in presenting the fifty-sixth Annual Report, accompanied by the usual Statement of Assets and Liabilities exhibiting the actual position of the Bank at the close of its financial year on 30th April last.

The balance at the credit of Profit and Loss Account on 30th April, 1873, amounted to..... \$ 400,449.83

And the net profits for the year ended 30th April, 1874, after deducting charges of management and making full provision for all bad and doubtful debts amount to..... 2,072,549.60

Making..... \$2,472,999.43

From which have to be deducted—

Dividend 6 per cent.
and Bonus 2 per cent, paid Decem-
ber, 1873..... \$2,125

Dividend 6 per cent.
and Bonus 2 per cent, payable
June 1874..... \$2,284.71

Together..... 1,888,787.26

Leaving a balance of..... \$584,203.17
to be carried forward.

The business of the Bank for the year has been prosperous, and the result has fully equalled the anticipations of the Directors, enabling them to maintain the rate of Dividend and Bonus, which has been paid for some years past.

Ample provision has been made for all possible loss on debts known to be bad or doubtful.

The average capital during the year as shewn by the monthly balance sheet was \$11,864,919 as against \$9,022,214, mentioned in last Report, and the increase calls for the distribution of \$145,238 over the amount of last year's dividend to provide the returns to the shareholders now declared.

The Surplus Profits, \$183,753.53, have been added to the balance of \$400,449.83 previously reported at Credit of Profit and Loss Account, and there is thus carried forward a fund of \$584,203.17 available, without trenching upon the Rest, to meet the contingencies incidental to a business of such magnitude as the Bank has attained through the augmentation of its capital.

A considerable sum has been expended during the year on the erection and alteration of Bank Buildings at Montreal and elsewhere, and the \$25,000 added to Bank Premises Account is fully represented by property acquired, and by improvements of a permanent character.

By your voluntary payment of nearly two million dollars in addition to the calls made last year, the paid up Capital of the Bank now reaches to within a trifle of the amount authorized by the Special General Meeting

of the 27th November, 1872; and those shareholders who have not yet availed themselves of the privilege of paying up their stock in full, will doubtless see it their interest to do so without waiting for a special call.

Considering the intimacy of our relations with the United States, it is matter of congratulation that the Bank did not sustain any direct injury by the monetary panic which prevailed in that country and affected our own community during the Autumn of last year; but the consequent diminution in the volume of business which has since been universally experienced, has materially interfered with the profits of the Bank. The sound condition of the country, however, warrants the expectation of an early return to commercial activity, in the benefits of which your institution will doubtless participate.

In compliance with the request of shareholders and others resident in Ontario, the Directors have authorized the opening of a Stock Register at the Toronto office, and facilities will hereafter be afforded for transfers of stock to and from the Head Office Register.

Statement of the result of the business of the Bank for the year ended 30th April, 1874.

Balance of profit and loss account, 30th April, 1873.... \$ 400,449.83

Profits for the year ended 30th April, 1874, after deducting charges of management and making full provision for all bad and doubtful debts. 2,072,549.60

\$2,472,999.43

Dividend 6 per cent
and bonus 2 per cent, paid Decem-
ber, 1873..... \$2,125

Dividend 6 per cent
and bonus 2 per cent, payable
June, 1874..... \$2,284.71

\$1,888,787.26

Balance of profit and loss carried forward..... \$584,203.17

GENERAL STATEMENT.

LIABILITIES.		
Capital Stock (subscribed) \$12,000,000 paid up...		\$11,930,335.00
Rest.....	\$5,000,000.00	
Balance of Profits car- ried forw'd	584,203.17	
	<hr/>	
	\$5,584,203.17	
Unclaim'd Di- vidends....	12,013.59	
Half-Yearly Dividend, payable June, 1874	952,381.71	
	<hr/>	
		6,548,601.47
		<hr/>
		\$18,478,936.47
Amount of Notes of the Bank in cir- culation...	3,793,264.00	
Deposits not bearing in- terest.....	7,260,481.41	
Deposits bear- ing interest	8,970,993.49	
Balances due to other Banks and institutions	963,218.83	
	<hr/>	
		20,987,960.73
		<hr/>
		\$39,466,897.20
ASSETS.		
Gold and Sil- ver Coin current...	\$1,868,499.85	
Government Demand Notes.....	1,923,059.00	
Balances due from other Banks and institutions	7,115,130.21	
Notes and Cheques of other Banks	850,706.73	
	<hr/>	
		11,757,386.79
B'k Premises & Branches		425,000.00
Bills of Ex- change and Discounted Notes....	27,125,760.03	
Debts secured by Mort- gages and other Secu- rities.....	96,789.52	
Debts due to the Bank, over-due & not paid (Estimated loss, &c.)..	61,960.86	
	<hr/>	
		27,284,510.41
		<hr/>
		\$39,466,897.20

R. B. ANGUS,
General Manager.

BANK OF MONTREAL,
Montreal, 30th April, 1874.

Mr. JOHN CRAWFORD — Mr. Chairman, I shall have much pleasure in moving the resolution which has been placed in my hands. The task has no doubt fallen to me in consequence of the absence of our late lamented friend, Mr. William Murray, and I would here remark that I am probably expressing the sentiment of those around me as well as my own view when I say that in Mr. Murray this Bank has lost one of its most faithful friends. The resolution is in these terms. "That the Report of the Directors now read be adopted, and printed for distribution among the Shareholders." Although the percentage of net profits to capital shown by the statement now laid on the table is considerably lower than in the preceding year—the net profit last year being about 2½ per cent in excess of the present year,—I think the Report now submitted may fairly be assumed as perfectly satisfactory, taking all things into consideration. When a Bank can lay before its shareholders a statement showing a profit of 17½ per cent on a capital of twelve millions, a condition of prosperity is exhibited which may well excite astonishment, and it may be proper to qualify the statement by remarking that taking the capital and Rest together, making seventeen millions of working capital, the net profit is reduced to the neighbourhood of twelve per cent. When we consider the financial and commercial depression, which as stated in the Report just read by the General Manager, has existed among our Southern friends during the past six months, and in some degree reacted upon the institutions of this country, the Report submitted by the management of the Bank of Montreal for the past year speaks sufficiently of itself of the ability, prudence and wisdom which have characterized the conduct of its affairs. (Hear, hear.) As far back as I can remember the policy of this Bank has been to create a strong and substantial Rest, amounting to 50 per cent, at the maximum, and we have yet to hear one good reason why that policy should be departed from in the interest of *bona fide* holders. For my own part, I prefer to be in the receipt of a steady and moderate dividend resulting from legitimate banking rather than the high but fluctuating dividends consequent upon speculative transactions, with their accompanying uncertainty and anxiety. The too frequent practice, Mr Chairman, of declaring high dividends and bonuses, with very sensational reports, sometimes issued probably for purposes of expediency, cannot, I think, be too earnestly deprecated; but on the other hand, the Directors of a Bank should not fall into the opposite mistake of estimating their assets below their intrinsic value, and in this connection I would respectfully suggest, in the event of the profits in the ensuing year proving insufficient, after providing for the 16 per cent dividend, to raise the Rest to 50 per cent of the capital—I believe that only \$400,000 is now wanting for that purpose—that a revision of the asset of Bank premises be made, it being notorious that that item is below the intrinsic value. Touching deposits, I may be allowed to say that I experience some disappointment that the ratio of increase has not been more in sympathy with the augmentation of capital. It is true that during the last year there has

been an addition of two and a half millions of deposits for half a million increase of capital; but if we carry the comparison back to 1871, when the capital was six millions, there is a falling off of three millions, and if the same ratio between capital and deposits existed now that existed then, the deposits, instead of being only \$16,000,000, would be nearly \$40,000,000. (Hear, hear.) Being one of those eccentric individuals who think that Directors should take their constituents into their confidence, and afford them a full insight into the administration of affairs, I would take leave before sitting down to ask two or three questions. Will the future policy of the Bank be in the direction of opening up new agencies? What was the amount written off this year for bad and doubtful debts? Was the amount written off last year not in excess of actual requirements? These last two questions, you will observe, Mr. Chairman, are to prevent large amounts being brought back, for debts wiped off. Pleasant as such surprises are—though the day of surprises is probably past—they are not always expedient.

Mr J G MACKENZIE—Mr Chairman and gentleman, I have very great pleasure in seconding this resolution. It is not necessary that I should occupy your time with any remarks. I am perfectly satisfied that the Bank is doing admirably under its present management.

The resolution was then adopted.

The CHAIRMAN—Does any other gentleman propose to ask questions as Mr Crawford has done? Mr Angus will reply to those put by Mr Crawford.

Mr ANGUS—I am very glad to reply to the enquiries of Mr Crawford and give such explanations as I am able. I am not in a position to say what may be the policy of the Bank in years to come. You are about to elect a Board to-day that will have the government of the Bank at its own discretion, and may therefore direct the opening of agencies in various parts of the country. But I may say that the Board, whose term of office is about to expire, have not considered it advisable to open more agencies throughout Canada. The Bank has, perhaps, already sufficient care on its hands in that direction, and there are many rising institutions quite capable of extending the facilities throughout the country that are required by the people. The Bank has never looked with any degree of jealousy upon the extension of other banks. In fact it has rather favored the creation of local banks, and has given facilities to local banks in various parts of the country to meet the wants of their borrowers, when they had not sufficient means of their own. The functions of this bank seem to me quite other than those of local banks throughout the country. Our proper sphere it seems to me is rather in the direction of extending the facilities for the larger commercial operations of the country, and of being the bankers of other banks. I think you will find that the progress the bank has made in years past has largely depended upon its holding available very considerable sums of money to meet the larger operations of trade, while other banks have had their own special sphere in attending to local wants. The amount which has been written off during the past year, I may state, has not been considered in excess

of the requirements of the Bank, and in reference to the amount written off last year, although we considered it very ample at the time, it was barely sufficient to meet the losses upon debts then considered to be doubtful. It is true there has been brought back a considerable amount of money during the past year from debts that were considered bad, but on the other hand there have been very considerable losses upon debts that were in the same position, and the net amount required has been somewhat in excess of the amount provided. One item which you will rejoice to hear has been brought back, is the very considerable surplus of some \$15,000 from the sum appropriated to meet the possible losses in the unhappy dispute which existed between our neighbors of the City Bank, the Banque Nationale, and ourselves, which has been fortunately compromised to the satisfaction of all concerned. [Hear, hear.] Although this is the first of the annual statements submitted to the shareholders for which I have been directly responsible, I have had as you are aware, considerable experience of the bank's affairs under direction of your late very able President. I can, therefore, with some confidence speak of the present exhibit, and I can assure you in its preparation there has been no desire to make things appear either better or worse than they really are—it has, in fact, been most carefully produced without exaggeration, and without concealment. [Cheers.] The Directors have taken you entirely into their confidence, and have endeavored to place every shareholder in as good a position as they are themselves for estimating the present condition and future prospects of the Bank. It is quite possible the shareholders generally may not entertain the same favourable opinion as to the results of the year's business which has been expressed by your Directors. We cannot point to the large surplus profits which have formed a conspicuous feature in your statements for some years past; but the reason has already been given in the report. The very large amount required to meet the dividend upon the increased capital of the Bank has absorbed the greater part of an immense net revenue, the largest the Bank ever yielded in one year. It may have been erroneously supposed by some that the income of the Bank would continue to increase in exact proportion to its capital; but gentlemen of commercial experience will recognize the vast development of business required to produce even an approximate return upon a capital which has been doubled; and it must not be forgotten that the additional capital in our case was not obtained for the express purpose of extending our business, but to supply the place of funds—of public deposits—the use of which the Bank had long enjoyed at a moderate rate of interest. During the year we have had to encounter some difficulties, and we have sustained the shock of a panic in the United States, which left us uninjured, and has served to prove to our shareholders, if that were necessary, that our business in that country, as elsewhere, is conducted in a conservative spirit and upon sound commercial principles. In some respects the business of the past year has been exceedingly good. Not only has it been larger in volume than ever before attained, but the losses have been comparatively light, and the ratio of net profit, in proportion to the means employed, has exceeded

that of any of the last four years, which were the most prosperous in the recent history of the Bank. I say in proportion to the means employed, and perhaps you will be surprised to learn that, notwithstanding the addition of \$6,000,000 to capital, and \$2,000,000 to Rest Account, the available funds for banking purposes have only increased in the last few years to the extent of about \$1,500,000. During the same period, on the other hand, the dividend has doubled in amount—that is, has gradually increased from \$960,000—annually to the same sum half yearly. This result, I confess, seems to me sufficiently astonishing, although much might reasonably have been hoped from the greater economy of managing the larger concern without material increase of charges, and also from the greater freedom with which the Bank's own funds can be employed, without the necessity of keeping large cash reserves, against liability to its own stockholders. I can, therefore, honestly congratulate you, gentlemen, upon the present condition of affairs, which proves, to use the words of Mr Klug, that “the prosperity of the Bank was not ephemeral, that it was not dependent upon hazardous profits, and that it has rested upon the ~~same~~ “foundation of good banking and available assets.” (Cheers.) These were the leading features of his own splendid administration and I trust they will ever characterize his successors in the executive offices of the bank. (Hear, hear.) In regard to the future I will not say much. I trust the career of uninterrupted prosperity which the bank has so long enjoyed may not soon be broken. It will be very gratifying to me if returns such as the present can be made from year to year, and still more so if some improvements can be made upon them. But this I will say, that I consider it most desirable that the Rest, the relative proportion of which has been allowed to decline, or rather has been cutstripped by the augmentation of capital, should, if opportunity offers, be again raised to its normal proportion of fifty per cent of the capital, that thereby the maintenance of the present dividend may be rendered a matter of more certainty and greater ease. I have one word to say in reference to the revaluation of the assets of the Bank. I have already told you that I consider that this statement has been prepared most carefully. I even went to the trouble—for I knew there was a great fallacy in the valuation of bank premises—I went to the trouble of getting our bank premises revalued in all parts of the country, and the return showed an excess over and above the amount that stands upon our books so insignificant that the Directors at once came to the conclusion that nothing more could be done in that quarter. The valuation was \$122,000 more than what is represented in our books, but that is a comparatively small item in a great institution such as this, with a capital and Rest so large, and I think it is better to leave that undisturbed. It certainly would not rate one penny more in revenue if written up to a million, and it is better to keep this item down and do all you can to increase the available funds of the bank, for it is from that you will ultimately receive your returns. (Cheers.)

Mr. CRAWFORD—I cannot help thanking the Managing Director for his full and frank explanation in reply to the questions that were asked. I would like to be permitted to put one more question: Since I came into

the room I heard that it was the intention to move a resolution substituting an eight per cent half yearly dividend for a six per cent dividend and two per cent bonus. I imagine that a more suggestion that such a course should be adopted would have all the effect of a resolution, and I think the gentleman who intended to bring it up as a substantive resolution will be satisfied if it is mentioned incidentally.

Mr. THOMAS WORKMAN—The following resolution has been placed in my hands:—“That the thanks of the meeting be presented to the President, Vice-President and Directors for their attention to the interests of the Bank.” I am quite satisfied, Mr. Chairman, that this whole meeting, and it is a very large one—and there is always a large attendance at the meetings of the Bank of Montreal—with great satisfaction pass this resolution, because the small tribute of price which it conveys has been richly earned. The Directors and Managers have conducted the affairs of this Bank with great attention and with infinite skill—the result before us proves that beyond all doubt. A great deal has been said on the question of dividends, and Mr. Crawford has suggested that the 2 per cent bonus be added to the 6 per cent dividend. This is not a bad idea at all, but if we consider the low rate of interest obtainable at present, and the low rates that may be expected for some time to come, it is hardly reasonable to expect a continuance of these large dividends. The day may come when the profits will not suffice to pay such dividends and the Board will not be justified in declaring them. If the Bank is able in the future to employ their capital as profitably as in the past, of course those dividends can be kept up, but we cannot always expect such a course of prosperity as we have enjoyed hitherto, and we should be prepared accordingly for a reduction in the dividends. I have heard it stated out of doors that the Bank ought to pay ten per cent, and that eight per cent is not enough. But eight per cent half yearly is certainly very good, and if the Board can continue to pay this 16 per cent per annum, I think that every one should be satisfied, and should not look for anything more. If there should be a surplus over and above the Rest of six millions, I would advise that the surplus be kept as a reserve fund, and that 16 per cent should be the full extent of dividend paid by this Bank for some years to come, because we ought not to rely upon a continuance of such prosperity in the future as has attended it in the past.

Mr. T. M. THOMSON—I concur very cordially in the terms of this resolution which I beg to second. I will just add that I trust nothing will be done to the Directors to put any fictitious value upon the non-productive part of the assets. (Applause) I think nothing would be gained by calling our fixed property a million instead of half a million when we can get nothing from it.

Mr. CRAWFORD—I hope Mr. Workman did not misunderstand me when I spoke of the dividend the Bank would pay.

Mr. WORKMAN—I had not the remarks of Mr. Crawford in my mind at the time; I referred to something that was said to me by a gentleman who has since left the room.

The resolution was then adopted unanimously.

Sir ALEXANDER T. GALT—I beg to move the following resolution, which I am quite sure will recommend itself to every gentleman present—"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." I think, Sir, that every person interested in this Bank must feel that their affairs are receiving the best possible attention and consideration from the General Manager of the Bank. I think the statement he has laid before you to-day is sufficient evidence that the affairs of the Bank are in the best hands in which they could be placed; and though we all regretted the retirement of our late President, Mr. King, yet we have found a worthy successor in the present General Manager. The fact that the Bank has continued to prosper is, I think, the best possible evidence that the interests of the shareholders have been faithfully attended to by the General Manager and other officers of the Bank.

The Hon D A SMITH, seconded the resolution, which was carried by acclamation.

Mr ANGUS replied as follows—Gentlemen, I thank you on my own behalf, and on behalf of the large staff, numbering over two hundred altogether, of the executive officers of the Bank, for the kind expressions of this resolution. We have had our difficulties to encounter during the past year. We have sustained, as I have said, the shock of a panic in the United States, without injury to the bank, and without other effect than to show to the shareholders that the business of the bank in that country as well as elsewhere is conducted upon sound conservative principles.

Great credit, I am sure you will feel, is due to Mr. Smithere for the very able manner in which he has conducted the affairs of the bank in the city of New York. But while I single out him because of the great test which has been applied to his work, I could scarcely put my hand upon a single officer of the Bank who does not deserve the thanks of the shareholders. Their zeal, I can assure you, gentlemen, is not measured by their pecuniary reward. The majority of them are old officers who have served long in the Bank and have conceived for it an affection which would surprise you as it astonishes me (loud applause).

Dr. GEO. W. CAMPBELL—I have to move the following resolution, seconded by Mr. ESDAILE, "That the ballot now open for the election of Directors be kept open until three o'clock and no longer; and until that hour and for that purpose only this meeting be continued." Carried.

Mr. CRAWFORD—If in order, Mr. Chairman, I would like with your permission to introduce a subject that has occupied my mind for some time past. It is the training of successors to our chief executive officers in the event of the Bank being in any way deprived of their services. The uncertainty of life is frequently illustrated by events occurring amongst us, and I think we should leave nothing to anticipation. I entertain a strong feeling upon this point, and I will frankly tell the Board that to them and to them alone do I look, in the event of their not creating some policy for the appointment of successors to our present executive officers.

The CHAIRMAN—The matter referred to by Mr. Crawford has been under consideration by the Board very recently.

Mr. CRAWFORD—I was only going to add that the high position of our present General Manager makes it very desirable that the question should be considered.

The ballot was then proceeded with. At three o'clock the Scrutineers handed in the following Report:—

MONTREAL, 1st June, 1874.

SIR,—We declare the following gentlemen duly elected Directors this day:—

G W CAMPBELL, M D,
SIR A T GALT,
EDWARD MACKAY,
PETER REDPATH,
T W RITCHIE,
HON THOS RYAN,
HON D A SMITH,
GEORGE STEPHEN,
DAVID TORRANCE,

We have the honor to be,

Sir,

Your very obed^t Serv^ts,

W B CUMMING,
THOS DAVIDSON.

The General Manager
Bank of Montreal