

## CIRCULAR LETTER.

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### TO BANK SHAREHOLDERS:

Since 1865 Shareholders in Canadian Banks have lost approximately \$40,000,000 through bank failures. To proprietors of banks this must be a startling fact, apart from consideration of the double liability attaching to the ownership of bank shares. Ordinarily these investments are not temporary; bank shares are often bequeathed, and sometimes instead of being a legacy they represent a call for the double liability. Banks should be stable; they should exist indefinitely; and failure through speculation and fraud should be made to practically cease. This pamphlet shows that external supervision has been successfully adopted as a remedy in countries transacting more than three-fourths of the business of the world. The reader may be fortunate in his selection of banks in the shares of which he has invested, and consequently he may not take much interest in the subject. But, in the course of human events, the management of each bank must change, and, as the capacity for successful bank management is rare, safeguards for banks are not only desirable for the present, but their importance for the future cannot be overstated. I suggest your personal investigation of the subject, in the hope that you will use your influence towards legislation, following the course taken by other countries; and I do so with the utmost confidence in the result of that investigation.

H. C. McLEOD.

TORONTO,

November 26th, 1909.