

MERCHANTS' BANK OF CANADA.

**Report Presented at the 44th Annual Meeting of the Shareholders,
Held at Montreal on Wednesday, 18th December, 1907**

The annual meeting of the directors and shareholders of the Merchants' Bank of Canada was held at noon Wednesday at the Head Office, 205 St. James Street. Amongst the shareholders present at the meeting were: Messrs. Jonathan Hodgson, Thomas A. Long, C. R. Hosmer, C. F. Smith, Hugh A. Allan, Alex. Barnett, George Hague, T. E. Merrett, D. C. Macarow, F. S. Lyman, A. D. Fraser, C. R. Black, A. Piddington, M. S. Foley, R. Campbell Neil s, John Patterson, E. Fiske (Coaticook), and others. In the absence of the President, Sir Hugh Montagu Allan, the Vice-President, Mr. Jonathan Hodgson, took the chair. Mr. Kilbourn was appointed secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The chairman then submitted the following report of the directors:—

THE DIRECTORS' REPORT.

The directors beg to present the Statement of Affairs of the Bank as at close of the half year's business on 30th November last.

In accordance with permission granted by the Shareholders at the last annual meeting, the books are closed upon the 30th of November, instead of on the 31st of May, as heretofore.

The net profits for the half year amounted to \$473,144.50. Out of this two quarterly dividends, at the rate of 8 per cent. per annum—amounting to \$240,000—have been paid, the balance being carried forward to next year.

The full proportion of inspection work has been done during the past six months.

All of which is respectfully submitted.

JONATHAN HODGSON,
Vice-President.

THE DISCUSSION.

The Chairman—"I have much pleasure in moving the adoption of this report."

Mr. Thomas Long—"Mr. Chairman and gentlemen, the reports that have been placed before you are, I consider, of an excellent nature, and I have much pleasure in seconding the motion. I am sure that we are all pleased and satisfied at the report laid before us. Considering the condition of trade all over Canada, I think that this report is one with which all the shareholders should be satisfied. (Here, hear.)

"I may say that I am very pleased, and I am sure we all are, to see our ex-general manager, Mr. Hague, present with us to-day. (Applause.) We hope that we shall have the pleasure of seeing him at many such meetings as this in the years to come. I have great pleasure in seconding the adoption of this report."

The Chairman—"Are there any questions to be asked by the Shareholders? If not, I will ask your approval of the report."

There being no questions, the report was then put to the vote, and unanimously adopted.

The General Manager (Mr. E. F. Hebden)—"The statement before you gives the result of our best efforts in the management of your property for the past six months. The figures may, perhaps, speak for themselves. I hope you will think the statement a not unfavorable one. In this connection I should like to bear testimony to the loyalty and excellent work and spirit of the staff at large, all the members of which are actuated by an ardent desire to promote the Banks best interests.

"The general banking and commercial situation has been recently epitomized by the chief officer of the premier Bank of Canada supplemented by the weighty deliverance of its president and between these two authorities all of present practical interest has been said. If it were for me to make any remarks to you on the present occasion, I should like to say that there has, perhaps, never been in recent years in Canada a time when a policy of moderation in public and private affairs was so plainly called for as the present, and in saying this I believe I am only expressing a thought uppermost in the minds of most thinking responsible men in Canada. The change in the commercial and economic situation in the neighboring republic for the worse, within the past few months, has been kaleidoscopic. It is now happily showing signs of improvement. In Canada we are altogether better situated, and it is our good fortune to be working under a better banking and currency system. But this is a slowing down time with us, a time to take stock of our positions, and to retrench and be mutually helpful withal, by being moderate in our commitments and undertakings, and thereby introducing a factor into affairs making for the retaining of all our advantage, which can only be interfered with by untimely optimism."

The Chairman—"The next order of business is the election of Directors, and I would suggest that Messrs. Black and Patterson act as scrutineers."

Moved by Mr. M. S. Foley, seconded by Mr. A. Piddington, that Messrs. John Patterson and C. R. Black be requested to act as Scrutineers, and that only one ballot be taken for the election of the Directors.

Mr. George Hague—"I am inclined to think that this course is hardly formal enough for such an election of directors. I think the motion should read, 'That the scrutineers cast one ballot for the following persons as Directors,'—and unless this course is followed someone may call this election in question. We are all agreed upon the names, and I suggest that this course be followed."

Moved by Mr. J. Patterson, seconded by Mr. George Hague, that the Scrutineers cast one ballot for the following persons as Directors of the Merchants' Bank of Canada for the ensuing year:—