

vote be taken on the following list for seven directors: Hon. D. A. Macdonald, Messrs. G. W. Simpson, John Grant, R. J. Reekie, Jno. Rankin, W. W. Ogilvie, James Croil.

AFTER RECESS.

About eight o'clock the shareholders began again to assemble in the Mechanics' Hall, awaiting the result of the ballot. At twenty minutes past nine the scrutineers entered, and Sir Francis Hincks resumed the chair. He then announced that the following seven gentlemen had received the highest number of votes:—Messrs. John Rankin, John Grant, R. J. Reekie, Hon. D. A. Macdonald, Henry Lyman, W. W. Ogilvie, James Croil.

A shareholder wished to know the number of votes polled for each, but the scrutineers did not deem it desirable to give the information. It was ascertained, however, that a large number was polled for Sir Francis Hincks whose name was originally on the ticket; but he defeated their object by casting his own votes against himself, and persuading many of his friends to vote against him also.

Mrs. Hollis said she had a motion to make. She moved, seconded by Miss Macdougall, that owing to the enormous losses made by the bank under the late management, entailing suffering on so many families throughout the country, this meeting calls upon the late Directors to make good a sum of \$400,000, being equal to ten per cent. upon the original capital of the Bank, in order that so much of the loss through their mismanagement may be returned to the unfortunate shareholders. (Laughter and applause.)

The ladies vehemently resented the spirit in which this motion had been received by the Directors. It was a matter for tears rather than of laughter.

Mr. Cassels moved, seconded by Mr. Henry Lyman, that the meeting adjourn till next morning at eleven o'clock. Mr. Cassels said there were a number of questions to be asked, and he thought the shareholders ought to have something to say in reference to the affairs of the Bank. It would be impossible at this late hour to discuss the subject.

Mr. R. Moat objected to the adjournment for one day. He had spent a great deal of time in examining the affairs of the Bank, and he knew it would be impossible between then and next morning to obtain anything like complete information. If any adjournment took place, it should be for thirty days, by which time a committee might be able to give full explanations.

Sir Francis Hincks said an adjournment for thirty days would bring the meeting together very nearly at the time the ninety days would expire, when the Bank would have to resume payment. The new Board of Directors would have to devise ways and means towards that object and he thought their hands should be left free. The time after the 30 days would be too short for them to determine upon the best course to be pursued.

Hon. J. G. Robertson said there were differences of opinion among the shareholders, some considering that the Bank should go into liquidation at once, others holding that with economy and a wise directorate the Bank might resume business. He was of the latter opinion, but he thought the shareholders should have an opportunity of expressing their views. He therefore favored an adjournment till next day.

Mr. J. H. Joseph did not see why they should not adjourn for 30 days. The meeting had voted confidence in the late Board. (Cries of "No, no.") Why, what stronger expression of confidence could there be than the re-election of four of the late Board? He wished the shareholders joy of the consequences. He thought the discussion would not tend to the advantage of the Bank; the matter had been six weeks before them, and yet they had practically voted confidence in the old Board.

Sir F. Hincks—Mr. Joseph, himself, seconded the resolution to put four new names on the Board, and three of them had just been nominated by ballot.

Mr. J. H. Joseph—But not yours. (Laughter.)

Sir F. Hincks—Mr. Joseph proposed to put

four new names on the Board, three have been put on; and the result is that the meeting has not decided exactly according to Mr. Joseph's wishes. (Laughter.)

Mr. J. P. Cleghorn (of Messrs. J. G. McKenzie & Co.) arose amid cries of "adjourn" and "go on," and asked for information as to dealings of the Bank with Ascher & Co., in their operations in connection with the estates of J. G. Joseph & Co., and the "London and Paris House" Toronto.

Sir Francis Hincks said he could answer the question in two or three minutes, and had no objection to do so. (Cries of adjourn, adjourn, from Mr. Joseph and his party.) Sir Francis went on to explain how the transaction had been privately arranged between Mr. Renny and Mr. Saunders without the knowledge or consent of the directors, and the agreement was that Mr. Saunders should endorse the notes, in the meantime holding a preference claim. (Sensation.)

A scene of great confusion ensued, Mr. Saunders requesting a hearing, while cries of "Vote, vote," "Shame," &c., rang through the hall.

Miss Macdougall—Why didn't you say that, Sir Francis, before the balloting took place?

Mr. Saunders—I deny what the President has said. (Sensation.)

Sir F. Hincks—There is a paper in the Bank in Mr. Saunders' handwriting which will prove the truth of what I have said.

Mr. S. Pedlar—It is quite evident you can give us a great deal of information.

Mr. Saunders then entered into an explanation of how he had gone to Toronto, and being desirous of assisting Mr. Ascher, and believing that the price of this stock and lease was very low, he thought there would be money in it. Mr. Ascher was prepared to guarantee the payment by a chattel mortgage.

The General Manager was here seen handing a paper to the chairman.

Sir Francis Hincks—There is the document!

Miss Macdougall, having got possession of the paper, read it to the meeting in a clear voice as follows:—

"J. & A. Saunders, wholesale jewellers, 60 "St. James street.

"Memorandum." "Montreal, 7th Dec., 1879.

1. The stock of the L. & P. House in Toronto to be purchased in the name of Ascher & Co., at Mr. A. Saunders' discretion.

2. Whatever price is paid shall be satisfactory to the Bank.

3. Mr. McCracken to have authority to cash cheque of Ascher & Co. representing 10 per cent. amount of purchase, on Tuesday next, and likewise of a further 10 per cent. on taking delivery of stock to accord with terms of sale (one-fifth cash), balance of purchase to be settled by notes if endorsed by A. Saunders. Bank to be responsible for said endorsement, contingent upon Saunders handing bank mortgage on stock, reserving his own claim out of the L. & P. House first, Mr. Saunders to hand over the amount realised from estate of his claim to the bank.

The purchase of the stock includes lease of premises to June 1st, next, by paying rental from time of possession at original figure.

The interest of the eighteen years lease from June 1st, to be purchased, like the stock, at Mr. Saunders' discretion, by Mr. Ascher, or let go, as he may think best, irrespective of the stock.

"Copy of this sent to Mr. McCracken."

"(See Letter Book.)"

Mr. Saunders—Now, gentlemen, you have heard this letter read, and I ask you what does it mean?

Mr. Thompson—It means that Ascher & Co. acquired this property at the expense of the Bank through assistance from Mr. Saunders.

Mr. Saunders—When the liabilities are paid, the Bank shall not lose by this transaction.

At this point a scene of indescribable excitement took place, a great many felt that they had got at the key to the whole mystery; some felt they had been duped by those who had so fiercely attacked the president; the lady shareholders and many of the gentlemen present rushed forward and took Sir Francis Hincks by

the hands, saying: "Why did you not make this explanation sooner? we would not have voted against you had we known what we do now." Some of the shareholders were observed shaking their heads in the direction of Mr. Saunders, whose party began to disperse, apparently crestfallen at the revelations that had just been made, and which promised to lead to further disclosures on the morrow.

A shareholder (excitedly to Mr. Saunders)—"Had I seen your face before buying my stock I would as soon have thrown my money into the river."

Order having been restored after a considerable interval, the motion for adjournment was put and carried, and the meeting dispersed to meet next day at ten o'clock.

FRIDAY'S SESSION.

The meeting was resumed on Friday morning at half past ten o'clock, in the Mechanics' Hall, with an attendance of shareholders somewhat less than the preceding day, many residing at a distance having returned to their homes. Sir Francis Hincks occupied the Chair.

Order being called, Miss Macdougall, one of the lady shareholders, criticised one of the newspaper reports of the previous evening's business as incorrect, in so far as one statement respecting herself was concerned. She appealed to Sir Francis Hincks to say whether or not he at any time had addressed her in the manner he was represented to have done?

Sir Francis was sure he never told any lady to hold her tongue, as represented in some of the newspapers, and was very much shocked to hear such language attributed to him. (Applause.) He was very glad to be able to make this statement for Miss Macdougall, and trusted that throughout the present proceedings, or at any other time, he had never been discourteous to any lady.

Miss Macdougall said every lady shareholder had every right to be present, and to be treated with the respect due to an English lady. (Loud applause.)

Mr. Henry Lyman wished to make a statement about Mr. Saunders' connection with Ascher & Co. He (Mr. Lyman) had walked home with Mr. Saunders last night, and received an explanation of the whole transaction. He believed the chairman had offered to make an explanation why \$530,000 of the bank's money had been given to such a firm. The Chairman had stated in a very energetic manner that the statement could be given in a very few words, and he for one would like to hear it. He understood that the transaction had been endorsed by Mr. Saunders, and that he was first to be paid afterwards, and thus escaped all liability in the concern.

Sir Francis Hincks said that every word uttered by Mr. Lyman was a mistake. The question asked by Mr. Cleghorn was not about the whole liability of Ascher & Co., but about the London and Paris House transaction.

Mr. Lyman accepted the explanation, but held that it referred merely to the \$27,000 liability of the London and Paris House, not to the \$40,000 which had been invested in the interest of the Bank.

Sir Francis—In the interest of Mr. Saunders, you mean. It was he who advised Ascher & Co. as to the purchase of the stock.

Mr. Lyman had said no hard words against any one, and did not believe in calling hard names. All he wanted was fair play.

Mr. Andrew Robertson—That's all the Board want.

Mr. Lyman said he made the remarks about Mr. Saunders under the impression that Sir Francis had charged that gentleman with responsibility for the whole of Ascher & Co.'s account, and upon a statement made personally to him by Mr. Saunders.

A Voice—He is at the bottom of the whole business.

Sir Francis said the only point he wanted to correct in Mr. Lyman's defence of Mr. Saunders was that the purchase of the stock of the London and Paris house was made without the knowledge of any of the directors and at the