

due weight to their statements. Moreover, he might say, the Directors, whose conduct had been very severely censured (applause), agreed to abide by the decision of this meeting as to their retirement or not. They gave their frank acceptance of such proposition when made. For his own part while he supposed that many wished him to retire, he knew a great many wished him to remain, and he could say most sincerely that if a majority of the shareholders desired him to retire, he would do so within five minutes after he had been informed of the fact. (Applause and hisses.) But he had his responsibilities, and while a good number of the shareholders did not wish him to retire, what could he do but await their decision? What he wanted to say was this: Be their decision what it might, he was quite prepared to abide by it. It was all the same to him. Some of the shareholders, he had heard, thought the Directors ought to be in the penitentiary. (Loud applause.) No doubt a great many thought so. But he would ask them would it not be wise that they should allow such a course to be taken in the criminal courts and not disturb the harmony that should prevail at the present meeting. (Ironical cheers.) Some of the directors themselves had very large interests in the bank, and all had one common object to put the affairs of the bank in the best possible position. We have put our statement before you, and—

A shareholder—Give us some information about Ascher & Co. (Cries of hear, hear, and order.)

Sir Francis—It would be a great deal better if questions would be held over until I am through. We all know it is absolutely necessary the bank should go into liquidation. The question is, what is the best course to be pursued? My own opinion is that the best step that can be taken is to get some other bank to purchase the building and assume the assets of the bank, and bring the whole business to a close in the quickest possible manner. (Loud and prolonged cheers.) And I do not despair that such a result can be achieved. Should that be found impossible, the next step would be to resume specie payments at the end of the ninety days. (Cheers.) Those with whom he had consulted were sanguine that this could be accomplished, but, this failing, there was only one course open, and that was insolvency, the worst and most undesirable that could be pursued. Far better would it be to trust their interests to some body of persons—to some of the Directors who would place themselves at the shareholders' disposal. The Directors had said that whatever might be asked of them they would do. He asked them to vote that day for a ticket of seven Directors, just as they would at an annual meeting. The Directors undertook to carry out the shareholders' wishes. For himself, he was prepared to resign on the morrow if the shareholders wished. One point he wished to refer to. One of the great reasons for censuring the Directors was the lack of inspection at the head office of the Bank. With regard to that he would say that it was most unfortunate that an inspection was not made. The Directors had, in the paper before the shareholders, acknowledged that they had erred in placing too much confidence in the late General Manager. When he joined the Bank in the first place—that was the City Bank—he knew of no inspection as having ever been made. He knew that the Directors never proposed an inspection, and no inspection had ever taken place. It was very unfortunate that the thought of such inspection had never come before the Directors, and the reason was that they thought they knew everything about the Bank and that nothing was concealed from them. With reference to a rather sensational correspondence published in the morning papers that day, he felt bound to make an explanation. All that he had to say was, that if Mr. Reekie had written those letters and had been selling out his stock after writing them, no man would censure him more than the speaker. But Mr. Reekie acted in direct accordance with the letter. He is a large stockholder, and bought stock after writing those letters, and he (the

speaker), therefore, did not think it fair to say that Mr. Reekie had written those letters with the intention of misleading Mr. Gilmour, because the term mislead is to do directly contrary to one's recommendation. He therefore felt bound in justice towards a colleague to make this explanation. This was all he had to say in his opening remarks, further than that not one word of complaint would come from him as to the result of the meeting. It was natural that a mixture of feeling should arise, and he felt that there was not one of the Directors but would have more than a feeling of relief if they had removed from them the responsibility of their present positions. But while he believed and knew that many of the shareholders did not wish him to resign he would not shrink his duty.

"Colonel" Turnbull here introduced himself as representing the Quebec shareholders, and read some resolutions passed at a meeting held recently in that city. He read a report to show that Messrs. Weir and himself had been appointed by the said meeting to join with any number of shareholders in taking legal action against the directors of the Bank (loud cheers) to secure justice for the shareholders and the punishment of the directors, and to contribute to the legal expenses thereof (Applause.) He moved that the following directors be asked to resign:—Sir Francis Hincks, Messrs. John Grant and W. W. Ogilvie, and that they be replaced by Messrs. Robert Moat, Thos. W. Ritchie, Henry Lyman and Charles Hagar. He trusted the motion would be carried unanimously. (Cheers.) He was surprised on his arrival in Montreal to learn that the directors of the Bank were prepared to attend at the meeting which he then addressed, with an overwhelming vote comprising shares that had been purchased by them at the reductions in price, and that it was their intention to vote down anything that the unfortunate shareholders would bring forward. (Cheers and hisses.)

The "Colonel" here appeared to grow suddenly excited, his face became as inflamed as the *rouge* necktie he wore, he shook his fists violently at Sir Francis, and went on.

He would ask Sir Francis Hincks, this ex-Governor of the Windward Isles, this ex-finance Minister who has received a most distinguished honor from Her Majesty, if he has any decency left to show it by resigning his position—(loud applause)—as President of the Bank. Two years ago, when the Bank was in a flourishing condition, the stockholders paid him an immense salary to look after their interests, and he now tells the shareholders that Mr. Rennie is the culprit, and had, in fact, asked the shareholders to believe that he was the only culprit. He thought the Directors were just as bad to allow this criminal to escape to the United States, and yet the President had come there that day, and intends to hang on to this institution as long as there is a single dollar in its coffers. (Hisses and applause.) And yet he says he is prepared to step down if the shareholders are so agreed. The shareholders could not legally prevent the Directors from voting for him, and yet if they gained their point they would go before the world as having condoned for anything they may have done in the past. He did not know if there was any sense of decency left in those men. (Hisses, applause and cries of quite right from several ladies.) If there was he would ask the President to retire. It would be far better for him on the morrow to break stones on the street than to come there and live on the balance of the money still left in the vaults of the bank. (Applause and hisses.)

Mr. Thos. Workman—Shame, shame.

This was what would be done, so sure as the shareholders were present, unless they prevented it. He (Turnbull) had had a great deal to do with banks, more than Sir Francis was aware of, and would tell them what would happen if the same Board was returned, with the exception of the man who got on the Board three months ago, and but for him they would never have known the position of the bank today. He (the speaker) did not care what they

said against that man, it would be a very bad way to have him out of it. The question of accepting one of two evils was before them. No doubt some would say better to keep up Sir Francis and the old Board. But if they did, and he (the speaker) had the pleasure of meeting the shareholders a year hence, he would be able to tell them, most likely, that this Board will continue to do as they have been doing the last thirty days, and what is the result? Poor widows with hardly anything left from the wreck of their fortunes are induced to sell their Stock at one and two dollars a share. (Applause.) And who purchases their Stock? Why, the Directors. What next? they will make a call and the liability people will sell out right and left, and who will own the Bank? Why Sir Francis Hincks and a few of the Directors, and within a short time these men will have a still larger fortune than they have now, and those who have none will have one. He would repeat, if these men had any sense of decency left they would say to the stockholders—You manage the Bank in the future, we abstain to-day from any further management of its affairs. He did hope for the credit of this magnificent city of Montreal, that the meeting would not return a man like Sir Francis Hincks for president. (Hisses and cheers, and cries of "Shame!")

Mr. J. H. Joseph jumped on his feet to second the motion and call the attention of the meeting to an error in making up the printed list now presented of those eligible for election. He contended that any shareholder with the necessary qualification of shares at noon to-day was eligible.

Sir Francis stated that it was the intention of the Board to accept any one who should be nominated to-day by the majority of the shareholders. He explained that the list was prepared according to the usual mode at annual meetings, and that the word "nominated" had been substituted for the word "elected."

Mrs. C. A. Hollis, a lady shareholder, then stepped forward and asked the Secretary to read the following resolution passed at the meeting of the lady shareholders on the 27th ultimo.

Whereas, by loose and scandalous mismanagement the Consolidated Bank of Canada has been obliged to suspend payment, and we find the means on which we depended for our maintenance almost swept out of existence; and, whereas, we are given to understand efforts are to be made to put the Bank into insolvency, this meeting resolves that, after mature consideration, we are of the opinion that it would be for the interests of all parties concerned that strenuous efforts should be made by the directors, shareholders, and others concerned, to resuscitate the Bank and resume business, and we, the lady shareholders, bind ourselves to assist that object by every means in our power. Further, we do hereby appoint Mrs. C. A. Hollis to act for us and in our names, as our attorney, to carry out this resolution.

This was endorsed by a large number of the lady shareholders.

Sir Francis was glad to see such an influential deputation of lady shareholders present, though he understood that some of the ladies believed he ought to be in the Penitentiary, and he was contented to go if they could put him there. He was much pleased with the conclusion the ladies had come to; it was the only sensible course to pursue, and he complimented them on their sagacity in arriving at it. (Applause.) He then referred to Lieutenant-Colonel Turnbull's motion, which he said was not in accordance with the understanding arrived at, and he would not act upon it. He would act on a resolution which submitted the usual number of seven directors to the meeting of shareholders, not on one which singled out three or four directors. What right had any one to limit the decision of the shareholders? They had met for the election of the whole seven directors, and that was the only resolution he would act upon.

Mr. E. L. Bond here read some correspond-