

EASTERN TOWNSHIPS BANK

Proceedings at the Annual Meeting of Shareholders.

The 51st Annual Meeting of the Shareholders of the Eastern Townships Bank was held in the Board Room of the Bank at Sherbrooke, Que., at 2 o'clock on Wednesday, December 1st. There were present:—Messrs. Wm. Farwell, S. H. C. Miner, C. H. Kathan, G. G. Stevens, J. S. Mitchell, A. C. Flumerfelt, F. Grundy, O. A. Robertson, G. G. Foster, F. N. McCrae, B. C. Howard, F. N. M. Sherman, F. D. Spaulding, J. B. Goodhue, H. E. Channel, W. R. Webster, Dr. Austin, Captain Bennett and H. D. Lawrence.

The president acted as chairman and the general manager as secretary. Messrs. H. D. Lawrence and F. D. Spaulding were appointed as scrutineers of votes.

The directors' report was as follows:—

The statement presented to you to-day calls to mind the history and progress of this Bank during half a century.

Starting in September, 1859, with a paid up capital of \$101,400, subscribed for by enterprising citizens of the Townships, at a period when there was but little development East of the Richelieu, with no banking facilities this side of Montreal and with very little money in circulation, our business has steadily grown until to-day we have a paid up capital of \$3,000,000 held by 1433 shareholders, with a reserve of \$2,100,000, and with branches well covering this Province and across the continent.

Your directors are proud to point to the record of these fifty years during which you have played so important a part in the development and prosperity which to-day surrounds the people of the Eastern Townships, and which progress leads us to hope that a greater usefulness is open to us in a broader field, to which we, as a result of your prosperity, have extended our business and in which we expect to assist in the development of a greater Canada.

The business of the year just closed has improved over that of the previous year, the net earnings being \$390,535.45 as against a net profit of last year of \$367,111.88, or 13 p.c. on its capital, enabling your directors to provide for the usual dividend at the rate of eight per cent. per annum, leaving a balance of \$150,535.45. This together with the amount brought forward from last year of \$215,305.98 makes the sum of \$365,841.43 available for distribution. Out of this balance of Profit and Loss, \$100,000 has been added to the Reserve Fund, bringing that amount to \$2,100,000, or 70% of the capital of the Bank, and the details herewith presented to you show the full disposition made of this amount available.

The Bank is now occupying the new building in Montreal, the offices are rented to desirable tenants, many of whom have become customers of the Bank, and, with the increase that is bound to follow in the value of that building, our Shareholders are assured of splendid accommodation at a very reasonable charge, in what your Directors believe to be one of the most desirable positions in the metropolis of Canada.

Respectfully submitted,

WILLIAM FARWELL,

President.

Sherbrooke, Que., 1st December, 1909.

The President, in moving the adoption of the report, was reminiscent in his observations, referring to the organization of the bank half a century ago, and was followed by the vice-president, who further dwelt on the development of the Townships and the growth of the Bank in particular.

The General Manager presented a review of the financial statement for the year, and after remarks by Directors Flumerfelt and Robertson, who dwelt particularly on the western development and progress of the bank in the western country, the election of directors was proceeded with, and resulted as follows:—William Farwell, S. H. C. Miner, Gardner Stevens, C. H. Kathan, J. S. Mitchell, A. C. Flumerfelt, F. Grundy, O. A. Robertson, G. G. Foster, K.C., F. N. McCrae and B. C. Howard.

At a subsequent meeting of the directors Mr. Wm. Farwell was re-elected president and Mr. S. H. C. Miner vice-president.

STATEMENT OF PROFIT AND LOSS ACCOUNT

For the year ended 15th November, 1909.

Balance at credit of Profit and Loss brought forward from November 14th, 1908	\$215,305 98
Profit of Head Office and Branches, after deducting charges of Management, interest due Depositors, and provision for losses	390,535 45
	<u>\$605,841 43</u>

Appropriated as follows:—

Dividend of 2 per cent., paid April 1st, 1909	\$60,000 00
Dividend of 2 per cent., paid July 2nd, 1909	60,000 00
Dividend of 2 per cent., paid October 1st, 1909	60,000 00
Dividend of 2 per cent., payable 2nd January, 1910	60,000 00
Transferred to Reserve Fund	100,000 00
To strengthening Assets	100,000 00
Bonus to Officers	15,000 00
Transferred to Officers' Guarantee Fund	2,000 00
	<u>\$457,000 00</u>
Balance carried forward	<u>\$148,841 43</u>

J. MACKINNON
General Manager.

GENERAL STATEMENT, 15th NOVEMBER, 1909.

LIABILITIES

Capital paid up	\$3,000,000 00
Reserve Fund	2,100,000 00
Balance of Profits carried forward ..	148,841 43
Reserved on account of Rebate on Bills Discounted unmatured ..	\$35,000 00
Dividend No. 108 at the rate of 8% per annum payable 2nd January, next	60,000 00
Dividends unclaimed	3,600 75
	<u>\$88,600 75</u>
Notes of the Bank in circulation ..	2,724,766 00
Deposits not bearing interest ...	3,552,067 82
Deposits bearing interest	11,874,617 95
Balances due to other Banks in the United Kingdom	231,484 05
	<u>\$18,383,935 82</u>
	<u>\$23,731,278 00</u>

ASSETS

Gold and Silver Coin Current	\$429,549 36
Dominion Government Notes	1,095,466 75
Deposit with Dominion Government for security of Bank Note Circulation	126,681 84
Notes of and Cheques on other Banks	840,312 90
Due from other Banks in Canada ..	605,102 63
Due from other Banks in Foreign Countries	1,189,906 50
Dominion and Provincial Government Securities	167,073 42
Canadian Municipal Debentures and Foreign Public Securities	530,726 10
Other Bonds, Debentures and Stocks ..	272,306 20
Call Loans on Bonds and Stocks	1,472,194 28
	<u>\$6,220,410 04</u>
Current Loans, Discounts and Advances to the public	\$15,736,591 88
Loans overdue (Estimated Loss provided for)	57,717 81
Real Estate (other than Bank Premises)	58,236 25
Mortgages on Real Estate sold by the Bank	41,900 75
Bank Premises and Furniture, including safes and vaults at Head Office and Branches	1,019,878 35
Other Assets	87,542 01
	<u>\$17,301,867 96</u>
	<u>\$23,731,278 00</u>

Mr. Fred. W. Bain, of the Traders' Bank, Ingersoll branch, has been appointed manager of the Montreal branch of same bank.

Tenders will be received until Monday by Mr. E. L. Pease, general manager of the Royal Bank, for 450 shares of \$100 each of new stock of the bank. The stock will rank for dividend from date of payment.

While a west bound train was approaching Petersburg, Ontario, recently, the boiler suddenly exploded, and the heater was thrown fully 100 feet. The engineer and fireman were thrown about 30 feet; both may recover. The rails were badly twisted by the force of the explosion.