

capacity of the men who organized the Bank of Montreal. The following is a summary of the clauses:

1. The Charter was granted for 10 years.
2. The Directors were to be British subjects; the qualification was four shares of £50 (currency) each, or a total of \$800 par value; any compensation given was to be granted by shareholders in annual meeting; and they were not to engage in private banking.
3. Directors were to appoint all officers of the Bank, to take surety bonds for faithful performance of duties, to declare dividends when earned, to keep proper stock-books and submit an annual statement to the shareholders.
4. The Bank was authorized to receive deposits, to deal in bills of exchange, to discount notes and buy gold and silver coin and bullion. It was forbidden to engage in business other than banking.
5. The Bank was not to lend directly upon real property though this could be taken as additional security for loans already made, and it was not permitted to lend money to a Foreign country or Government.
6. The issue of notes as money was authorized up to the general limit for all such obligations.
7. The Government might, at any time, for the protection of the public, call for and obtain a statement under oath of the Bank's position.
8. Transfers of shares were not to be valid unless registered in the Stock-book of the Bank and the institution was given a prior lien on this stock for ordinary debts due by the holder.
9. The total liabilities were not to exceed three times the paid-up stock and Directors were made personally liable if they permitted such excess.
10. Shareholders were exempt from any liability except that of paying for their subscribed stock under a penalty of 5 per cent. after instalments matured.
11. Voting by shareholders was limited—the number of votes diminishing by a scale, as the holdings of stock increased, up to 20 votes. One share gave one vote, 10 shares only 5 votes, 30 shares ten votes, and so on.

Meanwhile, at the first meeting of the Board, John Gray had been elected President of the Bank and T. A. Turner Vice-President. Robert Griffin was immediately appointed Cashier at a salary of £300 or \$1,200 with a staff of three assistants. In January, 1818, the Bank appointed Agents in New York and, a little later, an Agency was opened in Quebec styled an "Office of Discount and Deposit." Agents were also appointed in York and Kingston, Upper Canada, mainly for the circulation of the Bank's bills. At the annual meeting on June 1st, 1818, the first half-yearly dividend of 3 per cent. was paid. On Oct. 22nd the first development in a long series of varied relationships with the governing forces of British America began in an application to the Duke of Richmond, then Governor-General—and in control of the British moneys which so largely came in those days to supplement the small resources of the country—for the right to "supply the Government with such moneys as may be wanted for different Departments in Upper and Lower Canada." About this time also there came into existence the first elements of competition in the organization of the Quebec Bank. On November 6th an increased half-yearly dividend of 4½ per cent. was declared. It