

HISTORICAL SKETCH OF THE BANK OF MONTREAL

The Bank of Montreal has the double distinction of being the greatest single banking institution upon the Continent of America and the first to transact banking business in Canada. Early in 1817 a number of prominent men in what was then the small town of Montreal met, discussed, and organized an Association for the carrying on of a Banking business in the Province of Lower Canada. The Stock-book was opened on June 23rd and by Sept. 20 the last of the 5,000 shares, of £50 each, were subscribed. Meanwhile, on Aug. 17th, the first general meeting of shareholders took place and the following were elected Directors: John Gray, John Forsyth, George Garden, George Moffatt, Horatio Gates, Thomas A. Turner, F. W. Ermatinger, John McTavish, Austin Cuvillier, James Leslie, Hiram Nichols, George Platt and Zabdiel Thayer. Of these men Messrs. Moffatt, Cuvillier, Leslie and Gates were afterwards eminent in the public life of the community; all were well known and respected in business circles. The Bank opened for business on Nov. 3rd in premises on St. Paul Street with a paid-up capital of £87,500, in the Halifax currency of the day, or \$350,000.* The first Articles of Association and the early documents in the Bank's history indicate the use of the name "Montreal Bank" and it was not until 1826 that the modern designation came into continuous use.

There were preliminary difficulties as to incorporation owing, in part probably, to the existing confusion in currency with its British sovereign and coinage, the Mexican and Spanish dollars, the United States and so-called Halifax currency, the few Army bills still unabsorbed from the War of 1812 and in part, no doubt, to fears by the British Government that conditions were hardly ready for the establishment of such institutions. At all events, though incorporation was approved by the Legislature in 1817, it was held over for the Royal Assent and this was not finally given until 1822 after the Charter had again passed the Legislature. This Charter was, in many important respects, the same as those of all Canadian banks in this 20th Century and it illustrates the stability of Canadian finance and, also, the instinctive business

*Foot-Note.—The figures in this record up to Jan. 1, 1858, when the Bank discarded the Halifax currency system of \$4.00 to the pound and adopted the decimal system, are given in the former currency.