

and came with an indistinct statement that he would make an offer. Let Mr. King tell them if he had propositions to make, and if so, let him state at once what these were.

Mr. King—Excuse me. I am speaking only in the interests of the Gore Bank. I have in this paper (holding out an envelope) the terms I am prepared to make, and am willing to place it in the hands of any gentleman in the room.

Mr. Irving respected Mr. King's motives, but he wanted to know how much money value they should attach to them.

Dr. Clarke (Guelph) thought it was a most unfortunate thing they had not approached other banks. It was a most indiscreet thing to come here with an indentured article such as had been produced. What did they want? Suppose Mr. King placed his offer on the table, then if the offer of the Bank of Commerce was allowed to be amended Mr. King must be allowed to amend his, and where were they to end? He did not think this meeting was prepared to discuss the offer of the Bank of Commerce to-day.

Mr. Irving moved to the effect that Mr. King submit his proposition to the Committee, that the Committee withdraw to consider the proposition and report to the meeting.

Mr. King—I beg your pardon. I owe no courtesy either to the Directors or to the Committee, not the slightest. What I have to offer will be done in open Court in the presence and within hearing of the stockholders. "My proposition is—"The Bank of Montreal proposes to amalgamate with the Gore Bank upon the following terms, to be affirmed by Legislative authority next session of Parliament, the Bank of Montreal to give the Gore Bank 57 cents in the dollar upon the old capital in Bank of Montreal stock at 160. The purchase money at the above price to bear interest at the rate of 7 per cent from the 1st September until the issue of the stock proposed to be given in exchange for the Gore, which stock shall bear dividend from the date at which interest upon the purchase ceases." Mr. King continued: Now here is a guarantee clause which is altogether wanting in the other document—"The Gore Bank Shareholders to agree to sell the stock they receive at 165 if required, provided the Bank of Montreal will guarantee to make good any difference between 160 and the market price of the stock at the date of issue." He presumed there would be no legislative difficulty in the way. His proposition involved the same principle as the negotiation with the Bank of Commerce.

Mr. Trillen expressed his gratitude for what he had done for them in days gone past. Had he not come to their help on various occasions, they would have had to close their doors long before they did it.

Mr. King was sorry they had closed their doors. He had made an effort at the time, which, had it been taken advantage of, would have prevented that step, and he did not know but it could be made yet. Mr. Murray had stated he would have taken \$10,000 of Preference Stock, he (Mr. King) would have taken \$40,000 worth. He was no enemy to small banks; on the opposite, he was opposed on principle to bank monopoly. His view was that small banks should be supported by every possible means, provided they did not drag out a lingering existence, a terror to their neighbors, and a ruin to themselves.

Mr. McMillan thought the Gore Bank people were quite capable of managing their own affairs, and he did not see what right Mr. King had to come here lecturing them in the way he was doing. From all he had heard of that gentleman, the less they had to do with him the better. He had the character of being an excessively clever man, far too much so for simple folks like them. He solemnly warned the stockholders to be careful how they had to do with such a man, and he questioned whether the Legislature would for a moment think of sanctioning such an amalgamation.

Colonel Martin moved that Mr. King's offer be accepted. He knew no harm of Mr. King, but one good thing he had done, he had driven the bulls and bears out of Wall street.

Mr. Trillen seconded the motion.

Mr. McMillan would like to know by whose authority Mr. King had made such an offer? He had stated that he had not thought of drawing out his offer till this morning. As he understood matters, Mr. King was only a Bank Manager, and how any Manager could make such an offer without first consulting his Directors was past his comprehension.

The above is taken from the report of the *Globe* slightly condensed, and the following from the *Hamilton Spectator*, which gives more fully Mr. King's reply to Mr. McMillan. Mr. KING stated that he was specially authorized by resolution of his Directors.

Mr. Murray called Mr. McMillan to account for the diatribe of abuse he had launched forth at Mr. King, which he considered was most uncalled for. They had on more occasions than one been indebted to that gentleman for assistance in times of need, and he (Mr. Murray) characterized Mr. McMillan's conduct as ungentlemanly in the extreme. He trusted the remainder of the proceedings would be conducted in a temperate manner, and that no abuse might be indulged in.

Dr. Clark thought that instead of abusing Mr. King they ought to be much obliged to him for what he had done for them in times past. The question now was whether it was better to accept his offer or that of the Bank of Commerce.

Mr. King asked the Chairman to allow him a few words in reply to Mr. McMillan. He had been assailed with a great deal of abuse, from a gentleman (Mr. McMillan) whom he had never seen before, and which abuse he felt to be quite unmerited. He was there to make a proposal, as he intended for the good of the Bank, and in return for what he did, he was attacked, in a most virulent manner by a gentleman of whom he had not the slightest knowledge. There was a subject to which in public he had never yet alluded, but he felt after the attack made upon him by Mr. McMillan, that that was a fitting time and place to say a word in defence of his character and integrity. He alluded to the totally untrue and scandalous statements made by the American press in reference to him, and the late gold transactions in which he was said to be engaged on behalf of the Bank of Montreal. As to the fabulous amounts he was stated to have cleared by those transactions, he regretted to say that the whole affair was pure fiction.—(Laughter.) The story of the dry load of gold was a deliberate falsehood, and the first he knew of the affair was by reading the fabrication in one of the New York papers. He thought the story originated in the same fertile brain which gave birth to the shower of rain in the gold exchange at Chicago, as the two inventions were about on the par. He could assure them that the whole of those libellous stories which the American papers saw fit to heap upon him, were but a series of pure and unadulterated fiction, and there was not one word of truth in them.—(Applause.)

The following further report is from the *Globe*:

Mr. McMaster was glad to see so large a meeting of stockholders present, and all taking so deep an interest in the affairs of the Bank. This was the true secret of a Bank's prosperity. So long as the proprietors took an interest in and kept a strict watch over their property, there was little fear of their doors getting closed. He did not think that any very strong personalities had been indulged in; Mr. King seemed somewhat thin skinned, but if he was in the habit of sitting like him in a Legislative Assembly for a short time he would get cured of that. With regard to the Wall street affair it seemed that

since Mr. King had taken the reference so sorely to heart there was something in it after all. With respect to the negotiations between the Bank of Commerce and the Gore Bank, he had told them at the time that if they thought of carrying on simultaneous negotiations with the Bank of Montreal they would withdraw. They could not afford to go into competition with so strong an institution. With respect to Mr. King's query as to whether they had given in their ultimatum, that gentleman need not be afraid of their advancing. He was, however, authorized by his Board to modify the original proposition by consenting that interest at 7 per cent. should be payable to the stockholders of the Gore Bank from the first of July last, instead of the first of January next. They had been at great trouble and labor in making the arrangement to the point it had reached, and probably if they had not been at so much pains they would not have been favoured with the presence of Mr. King to-day.

Mr. King—Don't assume anything.

Mr. McMaster—I don't assume anything. According to Mr. King's own statement, had it not been for the extraordinary amount of caution with which I am blessed, he would not have ventured on making an offer of any kind. At the same time he (Mr. McMaster) held that the offer of the Bank of Commerce was the better of the two.

Mr. King—Mr. McMaster offers 55 cents in the dollar, with interest from the 1st of July, but gives no guarantee whatever. We offer 57 cents with interest at 7 per cent., commencing on the 1st of September, and stock at 160, with an offer to buy in two years at 165, thereby giving a guarantee of the validity of our bargain.

(Here a long discussion ensued as to which would be the better bargain, and in fact it was perfectly clear that the stockholders did not in any way appreciate the position in which they had been placed by the offer Mr. King had made. Mr. McMaster maintained by accepting the offer of the Bank of Commerce, the stockholders would derive much more benefit than they would do by accepting Mr. King's offer.)

Mr. Street spoke in favor of accepting the proposition of the Bank of Commerce, taking the interest, the premium, and the profit which would accrue from the enlarged business into consideration, he thought everything tended to show that their amalgamation with the Bank of Commerce would be the most remunerative course they could take. Everyone who knew the history of the Gore Bank, must feel grateful to the Bank of Montreal. Still in the offer, interest did not begin till the 1st of September, while in the amended agreement with the Bank of Commerce, interest was to count from 1st of July last.

Mr. King said he would remove the difficulty of interest at once. The Bank of Montreal would pay interest from the 1st of July, likewise. The whole thing now lay between 55 and 57 cents per dollar.

Mr. McMaster would not move one iota from the position he had last taken. He thought it undignified to go on in this auction style. He did not pretend to be able to cope with Mr. King, who had the two governments at his back. Mr. King guaranteed them 6 per cent and no more, and indeed would not let them have any more. The Bank of Commerce, on the other hand, gave them 7 per cent during the current six months, and 8 per cent afterwards.

Mr. King—Where do you guarantee the 8 per cent afterwards?

Mr. McMaster—Ah, well, if you go into details in this way, and deny self-evident propositions, there will be no end to the matter.

Mr. Martin moved a resolution to the effect that the meeting agree to resume business; but before doing so the whole Board of Directors should resign and pledge themselves that, if re-elected, they would again resign and refuse to act, and that the new Board of