

in its infancy the founders found it no easy matter to induce the confidence of the people, especially the French *habitants* or farmers. They would not at first accept its bills as current money. The directors of the bank were often required to endorse their bank notes, and it was many a year before the prejudice died away. The bank's prosperity was somewhat retarded by the mismanagement of a President who succeeded Mr. John Grey, Mr. Samuel Gerard by name, and also by the panicky feeling caused by the United States threats during the troubles of 1837, when it suspended payment. Mr. John Molson became President in 1827. Nearly half of the bank's capital had been sacrificed by bad management previous to that time; but by 1861 it had reached a very forward state, and it was after this period that Mr. E. H. King's master hand appeared in the affairs of the Bank. He knew Wall Street, New York, and had its wants well in his mind. By a series of well considered speculative movements, Mr. King came to the relief of New York merchants and brokers during a great stringency in money, in 1870, which he, of course, did not create, but which he in no wise regretted since it helped him to make his fame and the bank's fortune, at the same time. Loans on call at high rates of interest were the rule; and here is one of his masterly strokes, a newspaper story of that day:—

"He had a large amount of foreign exchange on hand. New York had very little gold and what it had Mr. King bought up. He then gave out that he had done this in order to ship it to England and loading it in a dray had it carted through the leading streets of New York in sight of the whole population and stored on board an ocean steamer. The natural consequence was that gold at once rose to a high premium. He then sold both his gold and exchange at high figures, realizing a handsome profit therefrom, and removed the gold from the vessel for delivery to the purchasers."

At that time the capital of the bank was \$6,000,000, but in 1871, on a motion by Mr. Wm. Murray at the annual meeting authority was given to the directors to double the capital at their convenience. On January 15th, 1872, the capital was increased by \$2,000,000, and on November 27th of the same year the final \$4,000,000 of stock was sold to such shareholders as wanted it at 25 per cent. premium, the remainder being sold in the open market. The bank realized about \$1,500,000 which was added to the reserves. Mr. King's resignation followed shortly afterwards and he removed to London, Eng., where he is chairman of the advisory board of the English branch of the Bank of Montreal.

The destinies of the Bank came into the manipulation of Mr. R. B. Angus, after Mr. King went to Europe, and it was in a most troublous time that this handsome Scotchman held the helm. During his *regime* there were failures of the Consolidated and Mechanics Banks, and the most stringent period in finance followed, in course of which there came a reduction of the "rest" or reserve fund taken to pay the dividend of the year, which was ten per cent. Mr. F. C. Smithers succeeded him, and it was under his astute guidance and a return of better times that the bank reached its present excellent position. At the death of Mr. Smithers, Mr. Buchanan succeeded him as

General Manager. tion, for if there sh country would feel

There are sev cial agencies and co four leading banks, sixty-eight branche British Columbia, Chicago, and San F

The smaller b their twenty-four b steady growth of th

Cap
1858—1
1868—1
1878—3
1888—2

Dis
1858—2
1868—2
1878—5
1888—5

The statement 1858, at which date

It will be seen due to the large infl of bank notes, and w Montreal of Provinc total outstanding cir having declined the their own circulation bank circulation was by the 30th April, 1 bank circulation sin Canadian trade.

The greatest ac risen from \$6,153,95

Over twenty m the reserve funds, ov found that the city dollars to earn divid deposits.