

sent meeting. (Hear, hear.) With respect to the premium revenue I think the figures that have been read to you will at once convince you of the prosperity of the Society. At the beginning of the year 1859 we had a premium revenue of £163,451, and in 1861, at the end of six years, you will find that sum increased to £163,458. (Cheers.) With respect to the claims of the Society, I may say they have much diminished as compared with the previous twelve months. During the past year we paid in claims £86,717, in lieu of a larger sum paid in 1863. (Hear, hear.) With regard to the Guarantee business, I am very pleased to state that that has exceeded our expectations. (Cheers.) This department of our business has gone on increasing every year; and this year the profit upon it is larger by a considerable amount than it ever was before. (Hear, hear.) The growing importance of business between this country and India has induced the directors during the past year to form a branch in that part of our colonial possessions. It has so far worked extremely well, and the directors have every reason to believe that the establishment of that branch will prove to be one of the most beneficial and profitable steps the Society has ever taken. (The meeting proceeded thus far at the European office, where it had been held in preceding years, but owing to the continued arrivals in the already crowded meeting, it was found expedient to adjourn to a larger room. Accordingly, on the motion of Mr. Forster, M.P., a director, the shareholders agreed to adjourn at once to St. James's Hall, where a room was speedily in readiness, and the proceedings were resumed.) Before leaving Waterloo-place I had referred in short terms to the several particulars of the report as presented to you to-day—to the Fire department, to the Premium revenue, to the claims upon the Society during the past twelve months, to the Guarantee Department and to the Indian branch, and I was going to proceed with that part of the report which refers to the most important feature in our proceedings of the past year, that is the acquisition by this company of the business of the British Nation Assurance Association. (Hear, hear.) We did not enter hastily into the consideration of this subject, or the conclusion at which we arrived regarding it. The directors themselves not only looked carefully into the different statements put before them by the officers of the Company, but they employed the government actuary, Mr. Finlaison, to go over the whole of the statements and figures, and guided by his opinion, the directors came to their conclusion. (Hear, hear.) And for the information of the shareholders I think it may be better to refer to his report. He says—

"It is my duty to state, that the information I sought was most cheerfully given, and I have no reason to believe that reticence was observed with regard to any matter whatever that I thought proper to bring under notice."

After referring to the figures of the actuarial investigation, Mr. Finlaison goes on as follows—

"Over and above this important and satisfactory result, there are further reasons of much force in favour of the proposal for an union of two societies. In the first place, the selection of lives in the British Nation Assurance Company seems to have been conducted with care. According to the information afforded, the deaths during the last year were under 11 per cent of the lives existing. By circumstances which were fortuitous, several heavy policies being dependent on the deaths which happened during the year—the amount payable for claims about £85,000—was heavy for that year. But no particular weight is to be attached to this incident, and it will, no doubt be remedied by the usual course of averages. But the greatest recommendation which presents itself in favour of the acceptance by the European Society of an alliance with the British Nation Office is to be found in the proofs given of the activity of the last-mentioned Company's agencies for the acquirement of new business, and the guarantees, which are producible, as I am informed, of their capacity for the preservation of that already obtained. That the efforts of this particular company have been highly successful lately is manifest from the results of the last two years' operations. There is also the circumstance, that the influence and connection of the British Nation Office resides, there is great reason to believe in districts but slightly occupied by the agencies of the European Life Assurance Society."

Now, it must be well known to all parties interested in Assurance Companies that unless an office has a certain amount of new business, it has arrived at its zenith, and from that time it must gradually decline. The great object we had in uniting ourselves with the British Nation was the fact that they had a large amount of new business which seemed to be procured by careful and proper means, and therefore would prove to be an important advantage to this Society. (Hear, hear.) Now, in the year 1860, I find the new premium income of the British Nation amounting to upwards of £6,000, in 1861 to upwards of £11,000, and in 1862 to upwards of £16,000, in 1863 to upwards of £21,000, and in 1864 to upwards of £31,000. (Cheers.) The Directors, firmly impressed with the necessity of securing so large an amount of new business as this association was likely to bring to it, did not hesitate to adopt Mr. Finlaison's suggestion. That gentleman having stated that he considered there would be large profits derivable from our accepting the alliance, which was perfectly sound, concludes in these words—

"It cannot be disputed that, in the operations of Life Assurance, the increase of business proceeds with accelerated growth in proportion to the magnitude of the engagements. In the present case it certainly appears to me that union will confer augmented power upon the combined interests of the two offices. I am, therefore, of opinion that, under all the circumstances, the junction of the two Companies will be of great benefit to both parties."

All I can say in answer to that is that Mr. Finlaison's views, or rather opinions, have been fully carried out during the two months the two Companies have

had the opportunity of working together. (Cheers.) The business of the British Nation and European Companies effected between the 1st of January and 31st of December, 1864, amounted to £46,507—that is when they had a separate existence; but the present rate of progress, as shown by the return of the new business for the past two months is at a rate of upwards of £50,000 a year. (Cheers.) The directors are therefore sanguine that the amalgamation or union was a proper one, and that it will tend materially to enhance the profits and improve the business of the European Association. (Loud cheers.) I believe therefore that I may congratulate the shareholders upon having obtained this business, and I may conclude the remarks I have had to make to you with these expressive words—that our premium income now amounts to £1,000 a-day, and our new business to £1,000 a-week. (Loud cheering.) Such a rate of things as that cannot but make the Society a prosperous one; and, as I said at the beginning of my remarks, I congratulate the shareholders upon the position in which we now stand. I beg, therefore, to move the adoption of the report and accounts, and in so doing let it be understood that that does not include imperatively the election of any gentleman named in the report as a director. Each name will be put separately, and every shareholder will thus have an opportunity of expressing his opinion on each gentleman that will be proposed. (Cheers.)

Mr. MACCONNEL seconded the resolution. The report was then adopted unanimously.

Mr. WILSON moved that in future the report be sent to each shareholder at least three days before the annual meeting of the Society.

Mr. CYRUS LEGG (a director) seconded the proposition, remarking that it was the proper course for the Society to adopt. They were all partners in the same concern, and the shareholders ought to know what was coming before the ordinary meeting the same as the directors did. (Hear, hear.)

This resolution was carried unanimously.

Dr. WATTS said he rose to move, "That the cordial thanks of the meeting are due, and are hereby given to the Chairman and board of Directors for their attention to the interests of the Society, and for the highly satisfactory report of its condition and prospects which has been presented this day." He should not detain the meeting very long in speaking to this resolution, because he thought the report spoke very well for itself. He found that during the last year the attention of the directors had been more than ever directed to the interests of the Society. (Hear, hear.)

Their work had been harder than ever before, and their attention must needs have been greater, to have resulted, as it had done, in £23,000 of new premiums during the last five years. The average amount of new premiums had been £13,000 a year. The year before last they were £16,000, and last year they were £23,000. (Hear, hear.) That might not be very rapid progress, but it was progress, and, to his mind, if progress was made, although it might not be very rapid, it was satisfactory. (Hear, hear.) He was quite sure it was a life-got accepted in this society it must be a good one, and he spoke from his own knowledge. He had often thought that he should like to take their medical adviser to Manchester, and show him a dozen men in the Exchange whose lives had been declined at various times, and who, to all appearances, were as healthy as any one in that room. It might be that there was something in their family history, or that some private friend had said something about their habits, which would account for their being declined. He was quite willing to believe that there was sufficient to justify the course the medical adviser had taken. But, nevertheless, he was safe in the conclusion that if a life-got on their books, considering the sifting examination it had to go through, it must be a good one. (Hear, hear.) For having secured a new business of £23,000 during the past year, the directors deserved their best thanks. Apart from the acquisition of the business by purchase there had been an increase in their assets of £25,000; and he had looked critically into the balance sheet and the receipts and expenditure, and found that of that £25,000, £9,000 was accumulation from premiums, and not additions to capital. (Hear, hear.) They now had an annual revenue of at least £50,000, and realised assets of over £600,000, so that they might now be considered a strong Company. (Hear, hear.) Union and hard work would enable them to do a business as large, or larger, than that transacted by any of their competitors. (Cheers.) Dr. Watts concluded by moving the resolution he had read.

Mr. HILL (Ashton-under-Lane) seconded the resolution. He thought the directors were entitled to the very warmest thanks of the shareholders for one special reason, and that was for the promptitude with which they paid their claims. (Hear, hear.) He had had frequent instances of this in his own agency. They were also very prompt and regular in paying interest on the shares, of which they were nearly 20,000 in his own district. (Hear.) He, therefore, had great pleasure in seconding the resolution.

The resolution having been carried with acclamation;

The CHAIRMAN thanked them very sincerely on his own behalf and on that of his colleagues, for the kind manner in which they had received the vote of thanks. He could truly say that their endeavours had been and would continue to be devoted to promoting the interests of the Society to the utmost extent possible, and he thought, without entering into particulars, the figures the directors had laid before them, would satisfy them they had not been negligent in the past. (Cheers.)

The next business was the re-election of the directors who retired from office. They were Mr. John Cheetham, M.P., Mr. John Field, and Mr. H. Wickham Wickham, M.P. These gentlemen were each proposed and seconded separately, and on each name being put to the meeting it was carried unanimously.

Mr. FIELD, in returning thanks, said he had been

connected with this Society for a great many years and had had the gratification of seeing it grow from one of a humble kind, to one of great importance. (Hear, hear.)

The CHAIRMAN also acknowledged his re-election, remarking that he felt flattered by the way in which his name had been mentioned. He thought there were many better qualified for the duties of chairman than he was, but as they had selected him for that office he would do his best for the interest of the Society. (Applause.)

On the motion of the CHAIRMAN, seconded by Mr. Briggs, Mr. John Parker, the retiring auditor, was re-elected.

A discussion then arose as to the number of new directors that it was desirable to elect. Mr. CRAWFORD, a director of the City branch, thought the number elected by the directors, and whose election would be proposed for confirmation at this meeting, too large, and expressed his willingness to retire, trusting that his example would be followed. Several of the shareholders expressed their opinion in favour of a reduction at the earliest convenient period, and on the motion of Mr. FORSTER, M.P., it was resolved unanimously, "That it is advisable the number of directors be reduced to 18, by an arrangement amongst themselves before the next annual meeting."

The election of the following directors of the "British Nation" by the Board was then unanimously confirmed: Messrs. George F. Anderson, George Bermingham, M.D., Henry Deffell, James Funnell, Robert W. Jones, Robert Norton, M.D., and George C. Richardson.

And the election by the Board of the following directors of the Mercantile Union was also confirmed, *namely*, Messrs. Robert Crawford, James Fenning, Sidney H. Hadley, Sydney B. Hodge, Cyrus Legg, and Paul Marston.

Mr. J. F. KESO said there was another little matter, and that was the remuneration of the directors. He was aware that the sum he was about to propose would be considered tolerably large; but they all knew that where there were a great number of directors it required more to pay them than it did a small number. He then proposed that the directors receive £3,150 for the current year, and observed that, considering the magnitude of the Society's operations, that was not so large as £500 would be to some Companies. (Hear, hear.)

A SHAREHOLDER seconded the resolution, and it was carried unanimously.

Mr. KESO then remarked that one expectation the directors had in having brought about the union was that they would largely reduce the expenses attached to each separate establishment, and the last resolution afforded a practical illustration of their anticipation, inasmuch as the sum which had hitherto been paid to the directors in the separate Societies amounted to something like £4,000. (Hear, hear.)

Mr. WATTS said that they had never separated from the meetings of the European without having passed a vote of thanks to their excellent secretaries. (Hear, hear.) To those shareholders who had taken any notice of the Company he was sure he need not say one word in favour of Mr. Cleland; but to the new shareholders he could say that they had in him the most efficient officer that could possibly be obtained for the post he occupied. (Cheers.) It was chiefly owing to his exertions that the Society had reached its present position, and, having the services of such a man, they ought not to be ungrateful of him on such an occasion as the present. He therefore begged to move that the thanks of the shareholders be presented to Mr. Cleland. (Cheers.)

Mr. BRIGGS seconded the resolution, which was carried by acclamation.

Mr. CRAWFORD in returning thanks, said that in the future his attention would be specially directed to the management of the Guarantee department, and Mr. Lake would conduct the Life branch. He would endeavour to maintain Mr. Lake as to the balance which might accrue to the credit of each branch sheet from year to year. (Hear, hear.) He thought he must congratulate himself that, so far as the balance at the credit of the Guarantee branch stood at the present time, he was rather in excess of his colleague. However, by the end of the year he should endeavour to present such a balance sheet as would meet with the cordial approval of all. (Cheers.)

Mr. BRIGGS then proposed a vote of thanks to Mr. Lake, saying that although he had not the pleasure of knowing him personally, he had received several letters from him, and was greatly pleased with his mode of conducting business. It would be great neglect if they separated without tendering him their hearty thanks. (Cheers.)

Mr. WICKHAM in seconding the motion, remarked that as a director of the Board, he had had ample opportunities of witnessing the zealous attention Mr. Lake had paid to the interest of the Life department of the Company generally, and he thought it but right to say on behalf of the directors that a more exemplary man in all that he undertook they had never met. (Cheers.)

The CHAIRMAN also bore the same testimony.

The resolution was then carried unanimously. Mr. LAKE, who was loudly applauded on rising, thanked them very much for their kindness in recognizing him on this occasion. He trusted by the end of next year both he and Mr. Cleland would have to give such an account of their stewardship, in their managerial capacities, as would cause the shareholders to display their good feeling toward them for what they had done in the course of the year. (Hear, hear.) They were aware that Mr. Cleland's heart was as his own was known to be, by his own friends at any rate, thoroughly in the business, and they would bring to bear all the powers and energy they possessed in order to produce the largest amount of business possible. (Cheers.)

On motion of Dr. WATTS, a vote of thanks was given to Mr. H. Owens, manager of the Fire branch.