The report was unanimously adopted. The balloting for directors resulted in the re-election of the old Board, consisting of Sir Alexander T. Galt, G.C.M.G.; the Hon. Jas. Ferrier, Senator; W. J. Buchanan, Gen. Manager Bank of Montreal; D. L. MacDougall, Pres. Montreal Stock Exchange; Wm. Alexander, Toronto; Hon. D. A. Smith, Director Bank of Montreal; Edward Rawlings, Col. C. S. Gzowski, A.D.C., Toronto, Vice-President Ontario Bank; John Paton (Jessup, Paton & Co.), New York.

At a subsequent meeting of the Directors Sir A. T. Galt was elected President and Hon. Jas. Ferrier, Vice-President; Edward Rawlings, Managing Director.

THE GUARANTEE COMPANY OF NORTH AMERICA.

The eleventh annual meeting of the Guarantee Company of North America was held on the 8th inst. The Hon. James Ferrier occupied the chair, and Mr. E. Rawlings, the managing director, officiated as ecretary. The following is an epitome of the report read by the Secretary:

The directors beg to present their report of the operations of the Company during the past year, and its position at the close of the eleventh year of its existence. During the year there have been 14,786 new applications for		$17,404,055 00
Of which there were 1,666 declined and not completed, amounting to		$1,467,350 00
13,120 new bonds issued in the year for		15,936,705 00
3,332 of which are bonds issued for transferees of prior bonds which do not produce new revenue		3,007,700 00
Making 9,788 bonds issued for new business, amounting to		12,929,005 00
Producing an annual premium of		99,967 55
The total business in force is 13,589 bonds, covering..		$17,622,625 00
The annual premiums on which are	$143,702 84	
Add—Interest on investments	11,355 17	
Total annual revenue		$155,058 01

The cancellations have been much greater in the past year in proportion to the business, than in any previous one The application of several new and extensive arrangements for supervision of its risks having revealed the presence of a large number of employés who have become undesirable for retention on the Company's books. Although this has involved considerable extra outlay, it became a necessity, owing to the greatly increased business, and for the better protection of the Company and its clients.

THE FINANCIAL POSITION OF THE COMPANY IS AS FOLLOWS:

Balance from last year		$395,102 35
Receipts.		
Premiums	$172,136 66	
Interest	11,355 17	
Claims recovered, etc	7,775 58	
Total receipts during year from all sources		$191,267 41
		$586,369 76
Expenditure.		
Working Expenses, including Commissions, Advertising, Travelling, Inspector's Expenses, Salaries, Law Charges, Special Correspondents, Telegrams, Postage, Printing, Stationery, Rent, Taxes, etc	$80,831 14	
Losses	54,970 90	
	$135,802 04	
Dividend to stockholders (two half-years at 3 per cent)	$18,000 00	
Depreciation in value of investments	13,499 69	
		$167,301 73
Balance carried forward		$419,068 03
Deduct from this reserves—which will probably have to be paid—		
Claims notified	$7,161 85	
Sundries	4,537 14	
		$11,698 99
Net assets		$407,369 04
Reserves Remaining in Hand.		
Capital paid up	$300,000 00	
For premiums in hand on unexpired risks, being 50 per cent of annual premiums on all guarantees in force	71,851 42	
		371,851 42
Surplus as regards shareholders, over and above capital and all liabilities		$35,517 62
Resources for Security of Policyholders.		
Assets, as above		$407,369 04
Capital subscribed and subject to call		368,600 00
Total resources		$775,969 04

The Company has been subjected during the year to examinations by the Commissioners of two more States—Missouri and Massachusetts—both of whom reported in very satisfactory as well as complimentary terms on the Company's financial condition and conduct. Their reports are on record. These make five examinations which the Company has undergone (all with similar results) since its admission to the United States in January, 1881, the previous three being New York, Maryland and Michigan; the Company has also undergone annual inspection by the Dominion Superintendent of Insurance, and a yearly audit by the Chartered Accountants appointed by the shareholders. The State examinations, which were made by *two experts*, have, of course, involved the Company in much expense and some inconvenience, but they have doubtless had a corresponding benefit in the refutation of misrepresentations emanating from competitive sources, and which chiefly led to the latter examinations being made. The record of this Company is such, however, as to place it beyond being affected by such tactics, and the futility of these efforts to obstruct its progress is apparent in the large accession of corporations in the United States as well as Canada who have selected it for their confidence, and who have not hesitated to pay its standard rates, in appreciation of the superior security and protection which the practical experience, ample resources and efficient service of this company afford.

The avenues of information of the Company have been still further extended during the year, and the confidential correspondents now number several thousands, distributed over all quarters of the globe.

The volume of information obtained by the Company may be somewhat realized by the fact that over 237,000 communications have passed through the head office during the year, including over 9,000 telegrams.

The value which attaches to this Company's special attribute as a Canadian institution in regard to jurisdiction over defaulting fugitives from across the Line, has been demonstrated on several occasions during the past year, to the advantage of its clients in the United States.

LOSSES.—All perfected claims have been promptly paid, and those outstanding, with but a slight exception, were presented during the last month of the year, and are merely awaiting the necessary certifications. The losses paid by the Company to this date amount to $237,652.59.

The Directors have concluded arrangements to re-insure with a responsible Company the excess over $10,000 on any one bond, thereby limiting its risk on any individual bond to 3 1-3 per cent of its cash capital, and less than 1½ per cent of its total resources. It is unnecessary to point to the additional security afforded its patrons, as well as shareholders, by such provision.