THE BANK OF BRITISH NORTH AMERICA—*Continued.*

ASSETS

Current Coin and Bullion	960,750.00	
Dominion Notes	5,079,117.00	
		6,039,867.00
Notes of other Banks		980,277.82
Cheques on other Banks		2,770,543.39
Balances due by other Banks in Canada		16,607.15
Balances due by Banks and Banking Correspondents elsewhere than in Canada		2,388,353.47
Dominion and Provincial Government Securities not exceeding Market Value		6,350,000.00
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian—(including £300,000 Exchequer Bonds, £100,000 3½ per cent. War Loan. The War Stocks taken at cost)		8,570,334.69
Railway and other Bonds and Stocks		46,884.37
Call and Short Loans in Canada on Bonds, Debentures and Stocks		2,607,013.55
Call and Short Loans elsewhere than in Canada		4,849,124.91
Other Current Loans and Discounts in Canada (*less* Rebate of Interest)		28,776,590.96
Other Current Loans and Discounts elsewhere than in Canada (*less* Rebate of Interest)		7,791,248.46
Liabilities of Customers under Letters of Credit as per contra		803,651.65
Real Estate other than Bank Premises		29,038.65
Overdue Debts (estimated Loss provided for)		283,059.32
Bank premises at not more than Cost, Less Amounts Written off		2,374,639.83
Deposit with the Canadian Minister of Finance for the Purposes of the Circulation Redemption Fund—Cash		245,821.58
Deposit in the Central Gold Reserve		2,420,000.00
Other Assets and Accounts not included in the Foregoing		339,786.43
		$77,682,843.23

H. B. MACKENZIE, *General Manager.* E. A. HOARE, G. D. WHATMAN, *Directors.*

We have examined the above Balance Sheet with the Books in London and the Certified Returns from the Branches, and we report to the Shareholders that we have obtained all the information and explanations we have required and that in our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank. As required by Section 56, Clause 19, of the Bank Act of Canada, we visited the Chief Office (Montreal) of the Bank and checked the cash and verified the securities and found that they agreed with the entries in the books of the Bank with regard thereto. We further report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the books and returns.

LONDON, 4th March, 1918. N. E. WATERHOUSE, FRANK S. PRICE, *Auditors.*

SUN LIFE WAIVES MILITARY AND NAVAL RESTRICTIONS TO BRITISH COLUMBIA LIFE POLICYHOLDERS.

A decision of importance to former policyholders of the British Columbia Life, recently reassured by the Sun Life, has been made regarding the extra premium chargeable under their policies where the assured engages in military or naval service.

The Sun Life management has voluntarily waived all restrictions regarding military and naval service in the case of British Columbia Life policies issued prior to 1st August, 1914, and in force on the date of the completion of the agreement, and have further agreed that the present war clause of the Sun Life be made to apply to all policies issued since 1st August, 1914. Even in cases where British Columbia Life policyholders have signed an agreement limiting the company's liability to 25% of the sum assured, the Sun Life have undertaken to protect them against the war risk for the full amount.

Though according to the terms of the reassurance, the Sun Life assumes only the liabilities covered by the British Columbia Life, it has decided to treat these new policyholders on exactly the same basis as if they had originally held Sun Life policies; accordingly, any restrictions regarding military or naval service on policies issued before the outbreak of war, have been waived, and the holders of such policies who are now, or who will be engaged in military or naval duties, will secure the full benefits without extra premium or other restrictions.

The feeling appears to be that a strong, well-established life company is warranted in adopting this broad, patriotic policy.

A concession such as this will come as no surprise to a public familiar with the liberality of treatment consistently accorded to the policyholders of companies that have been reassured by the Sun Life. That it will be received with warm approval and appreciation by these policyholders and their beneficiaries goes without saying.

FRICTION FIRES.

A business which is not profitable to the party engaged in conducting it is generally likely to prove unprofitable to a fire insurance company writing insurance upon it.

Agents should also be careful not to place temptation in the way of a man who, while normally honest, may not be morally strong enough to resist it. There is an old saying in fire insurance circles to the effect that the friction produced by rubbing a $10,000 insurance policy against a $5,000 house is apt to produce a fire. It is, therefore, most advisable that the agent should know the property he is insuring, and be reasonably certain that the insurance to be written thereon is not in excess of the actual present value of the property.