Meetings.

SUN MUTUAL INSURANCE COMPANY.

The adjourned annual meeting of this Company was held at the office in Montreal on Thursday the 19th inst. Among those were present were Messrs. T. J. Claxton, M. H. Gault, A. W. Ogilvie, A. F. Gault, H. Mulholland, T. A. W. Ogilvie, A. F. Gault, H. Mulholland, T. M. Bryson, James Hutton, W. S. O'Brien, C. Alexander, A Shannon, Andrew Robertson, M. McKenzie, W. Reid, J. Craig, Jas. Stevenson, J. M. C. Delesderniers and R. Macaulay.

In the absence of Mr. T. Workman, M. P.

the President who telegraphed from Ottawa that he could not come down in time, the Vice-President, Mr. T. J. Claxton, took the chair, and called on the Secretary to read the notices of annual meeting and of adjourned meeting with the minutes. The Chairman then proceeded to read the annual

Report.

The wonderful progress of this Company during the past year, coupled with its excellent financial condition, enables the Directors to meet the Shareholders with the utmost satisfaction. The printed Statements in your hands, and those lying on the table for your inspection, certainly afford ample reason for mutual congratulation.

The usual Statements of Receipts and Disbursements, and of Assets and Liabilities, were printed and freely circulated some days ago among the Shareholders, with the view of thereby affording full opportunity, in advance of the present meeting, to evamine into the transactions and position of the Company. Besides these there will be found on the table full detailed Schedules of Premium Revenue, Interest, and Expense—the sources and apportionment of surplus, for the past 51 years; also a detailed list of the Securities, with their several values, as held for the protection of our Policy holders. The object of the Directors is to give every possible publicity to its affairs, and you are cheerfully invited to a thorough personal inspection and examination of these documents.

The recent disastrous failures of so many American Life Companies, and the frauds exposed in some cases, while seriously alarming Policyholders in foreign Companies, have attracted the attention of the public to the duty of patronizing more largely our Home Companies. In this connection, your Directors feel that they can most heartily recommend the Sun Mutual to the confidence of the country. Economy and Security has ever been its motto. The results attained within the short period of 5½ years, in the face of the persistent and-during the last year-most unfair and unscrupulous opposition from a few American Life Agents—are certainly very gratifying. The large surplus shown (by the Schedules hereto appended) to be available for distribution, is the best possible practical proof of success and prudent management.

Before passing to the details for the year, a few words may be permitted regarding the Insurance Bill now before Parliament. The hope was widely entertained that, as promised in the Speech from the Throne at the opening of the Session, a measure would receive Legislative sanction ensuring greater protection to Cana-dians holding policies issued by foreign com-panies. But should the bill become law in its present form, it will utterly fail to accomplish the proposed object. The country should know and understand that its provisions are so framed that no policy in foreign companies, on the Mutual principle, will have any guaranteed Canadian security whatever in the event of the company becoming insolvent. The view sub-

distinction of native and foreign should be dropped, and all companies be made to give equal security to their policyholders. As the matter now stands, Canadians desirous of the highest guarantee must look to our Home Companies.

The results of the year's work are as follows: In the Life Department there were 691 proposals for \$1,154,998,35. Of that sum, \$952,-594,64, upon 573 lives, and yielding a yearly premium revenue of \$31,268,43, was put in force. The following exhibit will show the progressive character of the business in this connection :-Amount of new business

submitted in 1874..... \$ 621,342,00 Do. do. in 1875..... 689,719,32 Do. do. in 1876..... 1,154,998,35

In the Accident Department, besides several that were declined, and the contracts under Combined Life and Accident Policies, we issued 343 Policies, insuring \$702,600, and yielding \$3,780.40 in annual premiums. A marked preference has this year been shown for our Combined Life and Accident Policy. It is a very economical and convenient form, and embraces in a single policy all the advantages of separate Assurances. The Accident Insurance business of the Commercial Travellers' Association of Canada has been given to us for

Of the claims paid, \$8.000 was on deaths that had occurred late in 1875, and became due in 1876. The actual mortality for the year was only \$6,000 on four lives, only about a quarter of one per cent. of the sum exposed to risk. The amazingly low death rate experienced by this company is a remarkable feature, and, from a merely commercial point of view, is a high approval of the care bestowed in the selection of risks.

The company having been now five and a half years in operation, we are required by Charter to make a divisions of surplus. The same eminent Actuary, Hon. Elizur Wright, was employed to value the risks under the existing policies. Before doing that, a consulation was had as to the advisability of making our reserves on a four per cent. basis. Even at that low rate we should have had a surplus of over \$45,000; but with our facilities for obtaining first-class investments at a highly remunerative rate of interest, it was decided to adhere to 41 per cent. for the valuations.

As evincing the extreme caution exercised in the ascertainment of surplus available for distribution, in the valuation of premiums, the entire loading has been left out, so as not to forestall the profits of future years; and of the instalments of premiums necessary to complete the company's fiscal year, only the net mathematical premium has been taken. (Reference to the statements on the table will explain.) The investments of the company, at their present market value, would yield the handsome premium of \$5,450; but in the accompanying schedule, they are entered at their net cost, or ledger value, and the same severe test has been applied to all the assets. These precautionary measures were adopted solely with the view of affording the utermost possible protection to our assured, and of preserving intact the profit sources available for future years.

It will be satisfactory to you to know that the financial condition of the Company has kept pace with the progress in the new business. The following comparison with former years will illustrate that point :-

Assets as at 21st Dec., 1875.....\$218,498.83 Assets as at 31st Dec., 1876..... 265,941.64

And were we to add the increased value of investments, the actual gain would be \$52,-895.92,—an extremely gratifying result during a mitted and urged by this company was that the year of such wide-spread financial depression.

The proprietary share of the Surplus enables us to declare a Bonus Dividend of five per cent. per annum, to be added to paid up stock, for which scrip will be issued. That amount will leave—after providing for the dividend, payable in January—a net balance of \$2,909,09 at the eredit of Stockholders, to meet any unforeseen contingencies of mortality or otherwise. The profit of the Accident Branch has not been divided, but is left to create an independent fund for itself.

So soon as the calculations can be performed, notices will be issued to the participating policy-holders, showing the apportionment of profit. It will be available in payment of next premium, or in a reversionary sum to be added to the Policy. The latter course we strongly recommend the Assured to adopt. And it may be well to inform the holders of Endowment Policies that, in their case, the return will be (as nearly as can be) in the ratio of their contributions to Surplus, an advantage that is not given by every Company.

The Directors who retire this year are Messrs. Claxton, McLennan and M. H. Gault, who are all eligible for re-election, We regret that Mr. McLennan declines to be re-elected, owing to engagements which preclude the possibility of his attendance at the Board.

M. H. GAULT, T. JAMES CLAXTON. Managing Director, Vice-President.

Sta	tement of the Receipts and Disbur, the Year ending 31st December,	sements f 1876.	7
RECEIPTS.			
То	Balance as at 31st December,		
"	Premiums for year—	1190,070	25
**	Life\$95.737 99 Premiums for year—		
	Accident 4,928 54		
"	Interest Received and Accrued.	100,666	53
* *	Sinking Fund for Debentures	18,088	30
	and for Debentures	202	95
	DISBURSEMENTS.	315,033	93
By "	Premiums written off	3,488	32
"	Interest Paid on Stock and In-	10,993,	ნვ
"	terest bearing Deposit Dividend on Stock	572	95
"	Stamps for Policies, &c., &c	3,000	
"	Surrenders Paid	254	26
"	Advertising, Printing Stationers	700	45
"	Rent, Fuel, Taxes, &c., &c	4,761	78
"	Medical Fees	23,098	50
	Velling, Law Costs	.0	e
"	Commissions	18,012	
4.6	Re-assurance Premiums	4,387	03

\$315,033 93 LIABILITIES.

-\$149,275 61

Balance 265,944 64

\$ 49,089 28

519 70

Capital paid up..... \$ 50,000 oo Life and Accident em. erged, but not due at the close of the year.. 6,426 07 Amount to cover collection of Premiums, &c.. 2,782 45 Reserve, at 4½ per cent.
on all Life and Endowment Póli. cies..... \$149,618 51 Less on Reinsurances..... 342 90

" Re-assurance Premiums