

UNION LIFE TO BE WOUND UP

Metropolitan Life Will Reinsure Its Existing Policyholders

An order for the winding-up of the Union Life Assurance Company and the appointment of a liquidator was granted at Toronto this week. The application was made by Mr. C. A. Masters, K.C., acting for the Attorney-General, at the request of the Dominion Superintendent of Insurance. The latter in his instructions to the Attorney-General stated the company was insolvent, that its capital stock was impaired, and not likely to be restored within one year, that its license had expired, and had not been renewed within thirty days, and that it was, for other reasons, just and equitable, the company should be wound up.

Metropolitan Will Reinsure.

Actuary G. D. Finlayson, of the Dominion Insurance Department's staff, supplied a report for the benefit of the court, of the results of his investigations into the affairs of the company. He stated that an offer had been made by the Metropolitan Life Insurance Company of New York to reinsure all the existing policyholders in the Union Life on the transfer of the company's assets to the Metropolitan. This offer was conditional upon the company having to negotiate only with an official liquidator, who should be the Superintendent of Insurance, or some Government officer, and that no fees should be charged for the liquidation.

The Union Life Assurance Company was incorporated under a Dominion Act on May 15th, 1902. Its authorized capital was \$2,000,000, divided into 20,000 shares of \$100 each. Of these shares 6,420 were subscribed for and fully paid-up. A further 10,000 shares had been subscribed for and were partially paid-up. The total amount paid up on all shares was \$742,705.63.

Poor English Shareholder.

The company made an issue in London recently of 10,000 shares at a premium of 20 per cent. A dividend of 6 per cent. was guaranteed for three years by the National Agency Company, but this was not paid. The English shareholders recently met and discussed a plan to raise a further sum of £75,000 to reorganize the company and place it under new management. The winding-up order and reinsurance arrangements will nullify this scheme.

The Monetary Times has for some time past drawn attention to the position of the company, and was in communication with the Department of Insurance on the matter. Articles which appeared in *The Monetary Times* regarding the company were read in the House at Ottawa, when the question of the company's position was raised there.

Metropolitan's Business in Canada.

The Metropolitan, of New York, is a strong and well-known company, and has been doing business in Canada for several years. Last year, its business in the Dominion was as follows:—

	Ordinary.	Industrial.
Premiums for year	\$1,423,279	\$2,038,616
Number of policies, new and taken up	11,545	122,071
Amount of policies, new and taken up	\$13,110,817	\$17,742,020
Number of policies in force	42,774	490,282
Net amount in force	\$45,517,807	\$59,963,018
Number of policies become claims	302	4,922
Net amount of policies become claims	\$ 238,725	\$ 415,850
Claims paid	\$ 235,568	\$ 414,786

The Metropolitan has an excellent reputation and the policyholders may feel perfectly safe in the care of that company. This corporation is the only United States life insurance company doing business in Canada which owns real estate in the Dominion. Its holdings are valued at \$58,682. Its other assets in the Dominion are:—

Loans on real estate	\$2,362,250
Cash loans, etc., on policies	593,515
Bonds and debentures	10,269,796
Interest and rents	197,203
Outstanding and deferred premiums	330,846

Its total assets in Canada are \$13,812,294. Of the \$10,401,389 premiums taken in Canada last year by United States life insurance companies, the Metropolitan's share was \$3,461,913.

At the end of 1912, the Union Life had \$25,996,693 business in force. That year its premiums were \$716,126. On December 31st, 1912, the company had in force policies numbering 154,258.

Mr. G. D. Finlayson, actuary of the Dominion Government Insurance Department at Ottawa, has been appointed provisional liquidator, and Mr. Geo. Kappele, K.C., Toronto, official referee.

Regarding the jurisdiction and powers of the liquidator, the Chief Justice in the order directed that Mr. Finlayson be specially authorized and empowered to negotiate on behalf of the company, an agreement for the reinsurance of the company's outstanding policies of insurance on such terms as shall to him seem proper, to execute such agreement in the name of and on behalf of the said company, and to take all such steps and perform all such acts as shall appear to him to be necessary or advisable in connection therewith, but such agreement shall not become operative until approved by the referee.

The costs of the motion, winding-up order and of the liquidation will be paid out of the assets of the company.

It is reported that notwithstanding the many difficulties to be overcome, excellent progress was being made in the negotiations with the Metropolitan Life for the reinsurance of the Union Life's policyholders.

ONTARIO CITIES AND THEIR BONDS.

Berlin's city council at a special meeting passed by-laws providing for the issue of debentures amounting to \$202,316. Owing to difficulty in securing tenders for a block rate of accrued interest, the rate was increased from five to six per cent. The by-laws included \$85,300 for a trunk sewer, \$25,000 for gas extensions, \$35,000 for electric extension, and the balance for local improvements in 1912 and 1913.

Hamilton board of control decided to give the public a chance to purchase local improvement debentures, and it was decided to offer \$1,000 debentures. It was suggested that \$100 debentures might be put on the market, but it was stated that this would be too costly.

ONTARIO'S INCREASING MINERAL OUTPUT.

A decline in the output of silver did not check the steady increase in the value of minerals mined in the province during the first three months of 1913. The returns of the bureau of mines show an increase in metallic products for that period of a little over two million dollars.

The production of silver was 74,485 ounces less than for the corresponding period of last year, amounting to 7,264,559 ounces, with a value of \$4,040,450. The gold mined had a value of \$1,030,920. The output was 50,637 ounces, secured from 69,905 tons, or an average yield of a little under three-quarters of an ounce to the ton.

The Sudbury mines yielded 1,589 tons more of nickel and 538 tons more of copper than in the corresponding period of last year. The output of nickel was 6,311 tons, with a value of \$1,309,870, and of copper 3,075 tons, with a value of \$436,328. The production of pig iron was 181,042 tons, worth \$2,506,175, an increase of 64,218 tons and \$647,901 in value.

MR. HORNE-PAYNE'S REPLY.

Mr. R. M. Horne-Payne informs Windermere of the Montreal Star, that he is apparently misrepresented in Canada regarding his speech as chairman of the British Empire Trust. He said:—

"I stated an unquestionable fact, namely, that the loss of confidence of British investors in all Canadian investments is mainly attributable to the great loss they sustained in city bonds through the continuous forced and badly regulated borrowing by Canadian cities here, and to the cities having voted large further expenditures while still carrying unfunded debts, and seeking to renew increasing amount of bills for short periods.

"I was urging English investors to have no fear of Canada and in avoiding municipal securities for the above reason, to seize the opportunity afforded by present low prices to put all their available money with every other sort of Canadian investment."

Mr. Horne-Payne has nothing to say respecting the western threat to boycott the Canadian Northern, of which he is controlling director here, or regarding the suggestion that the Dominion Government should take action in the interests of the offended municipalities, in view of the recent large Canadian Northern subsidy.