

S. Nordheimer, Esq., W. H. Gibbs, Esq., A. McLean Howard, Esq., J. K. Macdonald, Esq., J. D. Edgar, Esq., Walter S. Lee, Esq., Alfred L. Gooderham, Esq.

The meeting then dissolved.
At a subsequent meeting of the new Board, Sir W. P. Howland was re-elected president, and the Hon. William McMaster, and William Elliot, Esq., vice-presidents.

ONTARIO MUTUAL LIFE ASSURANCE CO.

The fifteenth annual meeting of this company was held at its head office, in the town of Waterloo, Ont., on Wednesday, the 8th day of April, 1885, and was attended by a large number of influential and representative members from various parts of the Dominion. The president, Mr. I. E. Bowman, having taken the chair, on motion Mr. W. H. Riddell, the secretary of the company, acted as secretary of the meeting. He having read the notice calling the annual meeting, Mr. R. Melvin moved, seconded by Mr. I. B. McQuesten, that the minutes of last annual meeting be adopted.

The president then read the directors' REPORT.

GENTLEMEN,—In presenting to you our fifteenth annual statement, being for the year ending on the 31st December, 1884, we are in a position to report to you that the increase in the number and amount of new policies issued fully verifies the prediction which we made in our last report relative to the rapidly increasing popularity and success of our company.

During the past year 1,820 policies were issued, granting assurance for \$2,423,200, showing an increase of 282 in the number of policies and \$387,600 in the amount assured as compared with the previous year.

At the close of the year there were 6,086 policies in force, covering assurance for \$7,835,900.71.

Our income for the year consists of \$223,950.37 for premiums, and \$26,989.31 for interest on investments, making a total of \$250,939.68.

Our net assets are \$563,900.25, showing an increase of \$113,819.90, and our total assets are \$652,661.76, being an increase of \$118,956.21 during the year.

Our policies have been valued by Professor Cherriman, the Superintendent of Insurance for the Dominion, and his statement, which will be laid before you, fixes our liability for reserve at \$588,130.26, based on the legal standard, ("Hm Table" and 4½ per cent. interest). We have adopted this basis of valuation for our report so as to be uniform with other Canadian companies, but we adhere to the "Actuaries" Table and 4 per cent. interest in determining our surrender values and surplus distribution.

The surplus to the credit of policy holders is \$47,223.47, which will enable us to continue our liberal distribution among the members of our company.

We continue our comparative statement of assets showing the steady growth of the Company from its commencement in 1870, with the assets of 1884 added:

Year.	Assets.	Year.	Assets.
1870	\$ 6,215	1877	\$110,269
1871	7,830	1878	142,619
1872	12,246	1879	177,897
1873	23,142	1880	227,424
1874	33,721	1881	339,909
1875	53,681	1882	427,429
1876	81,105	1883	538,705

And for 1884, \$652,662.

You will be called upon to elect four directors in place of O. M. Taylor, Robt. Melvin, James Hope and Robt. Baird, whose term of office has expired, but who are all eligible for re-election. On behalf of the Board.

ISAAC E. BOWMAN,
President.

FIFTEENTH ANNUAL STATEMENT.

Net Assets.

December 31st, 1883,	\$450,080 85
Less loss on real estate \$	645 20
Less cancelled liens on lapsed policies.....	3,166 48
Less ledger balances written off	794 92
	\$445,478 75

Income.

Premiums	\$225,769 69
Less re-assurance	1,819 32
	\$223,950 37
Interest	\$ 26,989 31
	\$250,939 68

\$696,413 43

Expenditure, including death claims, \$38,854.00,, purchased policies, \$6,785.01, surplus paid in cash, \$19,939.24, returned premiums, \$494.75, commissions to agents, salaries of officers, directors' fees, advertising, postage, and all other expenses, making a total of \$132,514.18; leaving a balance of net assets, amounting to \$563,900.25, comprising the following investments:

Municipal debentures, face value, \$111,748.41	
Municipal debentures, cost,	\$114,000 47
Mortgages, cost.....	817,489 53
Loans on policies in force	56,617 82
Liens do do....	36,455 83
Bills Receivable	700 00
Company's office.....	6,314 53
Agents' and other balances	5,246 85
Molson's bank deposit receipts	26,000 00
Molson's bank current account, \$3,831 51	
Less Cheques Outstanding, \$3,642 10	
Balance	179 41
Cash	945 81
	\$563,900 25

NOTE.—Reserve to credit of Liens, \$57,500, and to credit of loans \$124,000.

Additional Assets.

Short date notes secured by policies in force.. \$	20,117 22
Premiums due and in course of transmission	4,375 10
Deferred half yearly and quarterly premiums on existing policies, due in 3, 6 and 9 months	32,873 17
(These three items are included in the Reserve Liability.)	
Interest due.....	5,885 98
Interest accrued	22,760 04
Market value of debentures over cost.....	2,750 00
	\$ 88,761.51
Total assets.....	\$652,661 76

Liabilities.

10% collection fee on short dates notes, deferred and overdue Premiums	\$ 5,806 54
Prem. paid in advance Claims under 5 policies awaiting completion, (since paid).....	5,000 00
Reserve required, as calculated on the Hm. Table and 4½% interest by the Insurance Department....	588,130 26
	\$605,438 29
Surplus, Dec. 31, 1884	\$ 47,223 47
Audited and found correct.	

HENRY F. J. JACKSON }
J. M. SCULLY } Auditors.

Waterloo, March 13, 1885.

The president also read the report of the Superintendent of Insurance, as follows:—
OTTAWA, March 25, 1885.

WM. HENDRY, Esq.,
Manager, the Ontario Mutual Life Assurance Co., Waterloo, Ont.:

DEAR SIR,—The following is the result of the valuation of your policies as at 31st December, 1884, on the Hm Table with 4½ per cent. interest, pure premiums only being valued:—

	No.	Amount.	Value.
Policies	5,985	7,692,900 71	592,820 99
Reinsured	28	119,000 00	4,690 73
Net	5,985	7,573,900 71	588,130 26
Policies dated 1885	101	148,000 00	Nil.

Total6,086 7,716,900 71 \$588,130 26

I have put no value on these 1885 policies; if the premiums on them have been paid, they should enter "Liabilities" under the head of "Premiums paid in advance."

Yours very truly,

J. B. CHERRIMAN,

Superintendent of Insurance.

(NOTE.—The 101 policies referred to as dated 1885 were issued in December, to take effect Jan. 1st, 1885.)

In moving the adoption of the directors' report, the president said

"I think we may well congratulate ourselves that during a period of very general depression in every branch of business which has prevailed in all parts of the Dominion for nearly two years the Ontario Mutual has not only held its own, but has made greater progress than in any previous year since its organization. I may also add that the volume of new business for the first three months of 1885 has been well maintained by our agents, evincing a determination on their part not only to maintain, but to increase the business of the company from year to year. I would, however, call the attention of our agents to the fact that in the near future they may have to encounter even more active competition from the Assessment Companies than they have hitherto experienced. These cheap and delusive organizations have recently made a determined effort to obtain recognition from the Dominion Government so as to enable them to gull their victims under the sanction of a government license, and I fear they have been more successful with the authorities at Ottawa than their merits deserve. The best that these associations can furnish is temporary assurance for a very short time, but their policies are utterly worthless as a provision for old age. The Ontario Mutual has no stockholders to absorb any portion of its profits; so that every dollar which is not required to pay death losses and the necessary expense of management is returned to the policy holder who pays the premium. I think it is therefore quite clear that no assessment concern can furnish substantial life assurance at a cheaper rate than the Ontario unless their death rate and expenses are much less, which so far has never been made apparent. The absolute safety and certainty afforded by the large reserves held by the regular level premium companies that every life policy will be paid to the surviving family whether the assured dies young or lives out his three score years and ten, is of infinitely greater value than a few dollars saved on the premiums of the first few years.

The Rev. C. R. Morrow, in seconding the adoption of the different reports, congratulated the members of the company on the marked progress made during 1884 in every department of the company's business. The Ontario was established on sound principles and now rested on such a firm foundation that its plans of assurance commanded the confidence and received the support of thoughtful men throughout this broad Dominion, while the results achieved in the past proved beyond successful contradiction that its affairs have been ably, prudently, and energetically managed. The people wanted assurance with safety, and this it was not possible for assessment concerns to give. At best they were but experiments—in many cases deliberate frauds—having no scientific or permanent basis to keep them from crumbling, at the first breath of adversity, into premature and hopeless decay. The public did not want assessment assurance and he would have none of it. Though a stockholder in another life company, he had increased his policies in The Ontario during 1884 from \$5,000 to \$10,000 thus, so to speak, showing forth his "faith by his works." If there was any company in Canada that could furnish life assurance at "net cost" it was The Ontario.

J. M. M. Duff, Esq., accountant and insurance adjuster, Montreal, was very much pleased with the report. He held policies in some English companies but declared his preference for the Ontario. He congratulated the directors upon the company's standing, making particular reference to the low ratio of expense. The Mutual system he believed to be the only true one, evidences of which might be seen in the extraordinary results attained by American mutual companies. He predicted a similar future for the Ontario with a continuance of the same careful management it at present enjoys. He would strongly urge more vigorous efforts for business in the province of Quebec where Home companies were held in high estimation, though American and British offices in the past managed to command the lion's share of the business. He was convinced Quebec offered a desirable field for life insurance operations.

Prof. E. Stone Wiggins, L. L. D., Chief of the Meteorological Department at Ottawa, as the representative of the members of the Ottawa district, was pleased to be present on this occasion as it afforded him the opportunity of making the personal acquaintance of the directors and officers of the company. He read an extract from the *Post Magazine* of London, Eng., in reference to the tax imposed on the