

\$78,120.94, which is the more remarkable, as other Mutual Companies have considerably reduced or altogether lost their premium note capital.

On a late occasion, your Board did all in their power to secure the passage of an Act of Parliament intended to restrain Cash Premium Policies within very strict limits, and they hope yet to see some measure of the kind carried through the Legislature.

BY-LAWS.

By Act of the Dominion Legislature, 32 and 33 Vic. ch. 70, all the By-laws of the Beaver and Toronto Mutual Companies were made applicable to the united Company. As this creates some confusion, your Board have caused a new series of By-laws to be submitted to you, which are recommended for your adoption.

ELECTION OF DIRECTORS.

You will be entitled to elect four Directors for three years, in the place of Messrs. A. Barker, G. Snider, J. Snell, and S. Thompson, who retire by rotation, but are eligible for re-election; and also one Director for one year, in place of J. Gregory, Esq., resigned. It will also be your privilege to nominate Honorary Directors in the place of those chosen last year.

The Auditors' Report, Statement of Receipts and Expenditure, and of Assets and Liabilities, and the Fire Inspector's Report, were also read, as given elsewhere.

After full discussion the Report was adopted, and twenty thousand copies ordered to be printed for the use of members and policy-holders.

The following series of By-laws was then moved and seconded, and adopted unanimously:—

BY-LAWS.

I. This present Company is formed under Chapter 52 of the Consolidated Statutes of Upper Canada, and is a body corporate and politic, by and under the name of "THE BEAVER AND TORONTO MUTUAL FIRE INSURANCE COMPANY."

II. The Board of Directors of the Company shall consist of twelve members, but the number may be altered by By-Law of the Company at any Annual Meeting thereof, so as the same be not less than seven, nor more than fifteen. One-third of such Directors shall retire annually by rotation.

III. A Vice-President shall be appointed by the Directors to act in the absence of the President in all matters relating to his office.

IV. The business of the Company shall be separated into three branches: one to be called the "Farmers' Branch," for the insurance of isolated buildings, and property not hazardous; the second, to be called the "Household Branch," for the insurance of isolated dwellings in Villages, Towns, and Cities; and the third, to be called the "Mercantile Branch," for insuring buildings and property hazardous and not hazardous; Provided, that the Board of Directors may, in their discretion, at any time unite the "Farmers' Branch" with the "Household Branch" under the former name.

V. A Guarantee Capital may be raised, not exceeding the sum of \$500,000, when the Board of Directors shall deem it expedient, the rights of subscribers thereto to be declared by By-Law of the Board, pursuant to section 31 of said chapter of the said Consolidated Statutes, and as a security to the said subscribers the Directors may pledge not more than two-thirds of the Premium Notes of the said Company, pursuant to the Statute 27 & 28 Victoria, chapter 33, section 6.

VI. A Reserve Fund, for the purpose of paying off any Guarantee Capital raised under the authority of the preceding By-law, may be created from year to year, whenever the Directors shall so determine.

VII. Debentures may be issued, Promissory Notes of the Company may be made, bearing interest, and Bills or Drafts may be made or accepted by the Directors, for the purposes and within the limitations prescribed by law; Provided always, that the manner in which this power is to be exercised shall be defined and regulated by resolution of the Board before any such Debentures are issued.

VIII. All Policies issued by the Company shall be under its corporate seal, signed by the President or Vice-President, and countersigned by the Secretary.