

NORTH AMERICAN LIFE.

STILL IN THE FRONT RANK.

THE annual meeting of this company was held at its head office, in Toronto, on January 25. The directors' report presented at the meeting showed marked proofs of continued progress and solid prosperity in every leading branch of the company's business.

Summary of the financial statement and balance sheet for the year ended December 31, 1897:

Cash income.....	\$ 699,550 49
Expenditure (including death claims, endowments, matured investment policies, profits and all other payments to policy-holders.....)	454,367 26
Assets.....	2,773,177 22
Reserve f. l.....	2,245,920 00
Net surplus for policy-holders.....	427,121 33

WM. McCABE, Managing Director
Audited and found correct.

JAS. CARLYLE, M.A.
Auditor.

The company's consulting actuary reported to the directors that he had very carefully examined the accounts and balance sheet of the company, as at December 31, 1897, and found that in every branch of the company's work tending to its solid progress and prosperity substantial gains had been made.

Your obligation for investment policies that matured in 1897 called for an outlay of over \$89,500—the individual settlements not only being generally satisfactory, but, as a matter of fact, comparing more than favorably with the settlements made by other companies upon similar forms of policies.

The President, Mr. John L. Blaikie, on moving the adoption of the report, said:

"As on many previous occasions, you will be pleased to observe that in everything that goes to make a life insurance company successful the North American Life again shows progress, solidity, and gain for the policy holders.

"For example, compare the business of 1897 and 1896 under the following heads:

	Increase over 1896	Per cent- age of Increase.
Assets as at Dec 31, 1897 \$2,773,177 22	\$257,343.81	10.2
Cash Income 699,550.49	57,768.41	7
Ins. in force 18,945,878.00	1,451,708.00	8 3
Premium Income..... 582,131.99	42,670.41	7 9
Interest Income..... 147,118 53	15,092.00	14.8

"The assets of the Company are of a high class, and after providing for every liability, there remains a net surplus of \$427,121.33, the percentage of net surplus to liabilities being 18.2, and the percentage of assets to liabilities being 118.2.

"A year ago I submitted a table showing the experience of eleven companies doing business in Canada, the amount of insurance issued, the total terminations each had experienced, and what the percentage was. The North American made a far better show-

ing than any of the eleven, and official figures given in the last Dominion Government report, showing a like experience, again places the North American in the first position."

The Hon. G. W. Allan, vice-president, said:

"I think the very best evidence of the excellent character of the assets of the company and the care shown by the directors in the investment of the funds, is the large increase in our interest income for the year, namely, \$15,092, and the fact that our interest and rents, due and accrued, at the end of the year, should show a decrease of \$1,119.57. Now, here is the position of our assets. We have invested in—

	Amount.	Percentage of total assets.
Mortgages, etc.....	\$1,108,563 93	40
*Debentures.....	635,197 89	22.9
**Real estate.....	292,263 83	10.5
Stocks and bonds.....	203,331 44	7.3
Loans on policies.....	176,381 61	6.4
Loans on stocks.....	157,780 00	5.7
Outstanding premiums in course of collection, and quarterly and half-yearly premiums, being balance of year's premiums not yet paid.....	100,460 37	3.6
Cash in banks.....	57,743 07	2.1
Cash on hand.....	31 78	
Interest and rents, due and accrued.....	38,376 95	1.4
Reversions.....	3,046 35	.1
	\$2,778,177 22	100.

*Market value exceeds this by \$21,425.15.

**Including the company's building.

"I think you will agree with me, this shows a highly satisfactory state of affairs, and must be doubly reassuring to all the policy holders of the company, as well as its excellent agency staff, as to the high standard this company has attained among the life companies in this country. So far as I can judge, it stands at the head.

"Our real estate, as compared with last year, shows but a slight addition in amount, except that we have now added thereto our own home, this handsome building, in which we are holding this meeting. It was an excellent stroke of business on the part of the company in securing this property, as we have now every accommodation for the proper conduct of the business; in fact, one of the best equipped offices in the city, and the cost to the company will be but a moderate one. Already the space we have to rent is well tenanted, and the one office at present vacant is already bespoken. All the properties in possession of the company are well rented, and giving the company a fair return.

Mr. J. N. Lake, in moving a vote of thanks to the company's provincial managers, inspectors and agency staff, said:

"It will be gratifying to everyone interested in the company, and speaks volumes for the energy displayed by our agents, that our new business this month is the best business for January in the history of the company.

"It is interesting to note the great progress this company has made during the last ten years, as shown by the following table:

	7th Year	12th Year	17th Year.
Cash Income....	\$ 228,282 61	\$ 431,626 42	\$ 699,550 49
Assets.....	542,318 59	1,413,978 00	2,773,177 00
Ins. in force.....	6,974,391 00	12,069,081 00	18,945,878 00
Net Surplus.....	51,691 91	221,635 67	427,121 33

"You will see that the cash income increased over three-fold, assets over five

times; insurance in force, nearly three-fold; and net surplus, nearly eight-fold—the latter indicating that the company is a good one for the policy-holders."

Mr. McCabe, managing director, said he could heartily endorse all that had been said as to the efficiency of our agency staff, and the energetic and satisfactory manner in which they had accomplished their work during the year just closed. He knew that the agents had unusual competition during the latter part of the year, owing to four new companies having commenced operations during 1897.

In this connection he said that, of all the companies starting about the same time as the North American or subsequently, not one of them outside of our own has met with but moderate success.

The mere fact of a company having a large capital, and especially rushing a large amount of business on its books in a short time, means a very large liability by way of the reserve required by the Dominion Government, and must result in a loss to the company. This experiment had been made a few years ago, disastrously, by one of our companies.

Certain methods of conducting business may, on the face, have the appearance of success, but ultimately can have but one result. The course we have adopted has been a conservative one in every way, and we propose to follow that course, believing that our first interests must be those of our policy holders, and that ultimately the test of the business between the different companies is "What are you doing, and what are you likely to do, for your policy holders?"

Mr. Galley, in referring to the company's loans, said:

"In looking over this mortgage list I was pleased to find the satisfactory manner in which the interest had been paid during 1897. The interest due and accrued on all loans held by the company showing a decrease, as compared with 1896, of \$2,201.73.

"The position of the company is highly satisfactory, and as one of its earliest and large policy-holders, I feel very pleased at the position that the company has attained."

James Thorburn, M.D., medical director, presented a full and interesting report of the mortality experienced by the company during the past year, showing that the actual loss was favorable when compared with the mortality table.

After the usual vote of thanks had been passed, the election of directors took place: President, Mr. J. L. Blaikie.

Vice-Presidents, Hon. G. W. Allan, Sir Frank Smith.

Managing Director, Wm. McCabe, L.L.B., F.I.A.

Secretary, L. Goldman.