THIRTEEN STARS IN ITS DIADEM

Brighter Than Any Glows the Latest Addition to the Crown of the Mutual Reserve Fund Life Association.

STEADILY GOING ONWARD AND UPWARD.

Members in Annual Session Who Listened to the Reports of Their Officers, Who Told of an Unparalleled Growth.

ENGLAND AND THE CONTINENT REPRESENTED

The Story of the Work and Achievements of the Past Twelve Months Fully Told by President Harper and His Aids, Vice-Presidents Reinmund and Wells.

SPEECH BY DEPUTY PROVINCIAL TREASURER D. E. CAMERON.

The Association Has Now in Force a Total Business of Over $262,000,000.00, a Gain Over Last Year of $9,000,000.00—Death Claims Paid in 1893, $2,951,855.23—Assets Are $5,138,516.36 and Liabilities $2,136,496.81—Net Surplus Over All Liabilities, $3,002,019.55.

[Assessment System.]

Many things have been brought to light to disprove the popular superstition that the number "thirteen" is unlucky. Nothing stronger could be pointed out, however, than the success which has crowned the work of the Mutual Fund Reserve Life Association in the past thirteen years. For thirteen years Edward B. Harper has stood at the helm of the craft which has so successfully weathered every financial gale and avoided every reef in the troubled sea of the insurance world. Not only has the Association passed safely through all these dangers, but it has grown and prospered in a manner which has surprised its members and exceeded all their expectations.

As to follow out the thirteen idea, it will be found that in the words "Mutual Reserve" again appears the mystic combination. Yesterday was the thirteenth anniversary of the Association's birth, and in the name of its president—Edward B. Harper—there will be found thirteen letters. Singularly enough, the new building soon to be occupied by the Mutual Reserve has thirteen stories. So much for number "13." A glance at the reports of the various officers of the Association, read at the annual meeting, held in the Potter Building, will show plainly that "13" has not cast its baneful shadow on this organization.

The meeting was opened at 11.30 by Mr. Harper. There were present representatives of the European and American agencies, and as many members of the Association as could crowd into the large counting-room. President Harper's face wore a happy look as he came into the office, for he knew that the bulky manuscripts, forming the reports of the various officers, when read would prove to be vouchers of his good stewardship. He was evidently imbued with the "13" feeling, for one of the gentlemen present said, with a smile, that Mr. Harper had bowed thirteen times to the assemblage on reaching his chair.

As soon as the president had assumed the gavel he called the session to order. He then directed the secretary, Mr. F. T. Braman, to read the formal call for the meeting. This business concluded, Mr. Harper declared the meeting ready for the transaction of business. As his own report headed the list, he read it himself.

In a clear, slow and distinct voice Mr. Harper read his report as follows:

AN ABLE DOCUMENT.

Thirteenth Annual Report of President Edward B. Harper, Ending December 31, 1893.

To the Officers, Directors and Members of the Mutual Reserve Fund Life Association:

Gentlemen,—It is with pleasure and pride that we meet together to-day to commemorate the fact that another year's work in the history of our Association has been completed; another year's triumph has been recorded; that the books covering the transactions of our Association for the thirteenth year have been closed and that the results covering every department have been the grandest ever achieved in any year in our history.

Our assets were never so large as to-day; our surplus never so great; our new business larger than ever recorded in any previous year; our net increase of business simply phenomenal; our payments to the widows and orphans exceed that ever before disbursed in any previous twelve months; our future never was so bright.

Assets.

Our gross assets have increased during the year 1893 from $4,785,286.06 to $5,138,-516.36, making a net gain for the year of $353,230.30.

Reserve Fund.

We have increased our Reserve or Surplus Emergency Fund within the past twelve months from $3,371,333.59 to $3,589,326.12, making a net gain of $218,022.54.

Income.

Our income during the year 1893 from all sources amounted to $4,498,815.00, against an income of $4,097,243.09 for the year 1892, making a net increase of income of over $400,000.00.

Death Claims.

Nearly Three Millions of Dollars have been disbursed to the widows and orphans and representatives of our deceased members during the year 1893, the exact sum being $2,951,855.23, making the net increase of disbursements over the year 1892 of a Quarter of a Million Dollars and for the thirteen years of our existence $17,654,353.86 have been distributed among more than six thousand widows and twelve thousand orphan children, thus furnishing homes and shelter to the widow; food, clothing and education to the children of our deceased members and an average of $1,360,000.00 has been distributed by this Association for each year since the date of its organization for this beneficent object. Furthermore we have accumulated a Cash Surplus Reserve or Emergency Fund which at the close of the year 1893 exceeded $4,200.00 for each $1000 of outstanding death claims of every description, and at the same time a single mortuary call upon our members now produces more than $575,000.00 in cash.

An Economic System.

The economic principles underlying the system of the Mutual Reserve are best illustrated by the fact that out of the total payments during the year 1893 by the members in mortuary premiums of $3,340,203.08 there was paid in death benefits the sum of $2,951,-855.23, and in addition thereto there was added the sum of $218,022.54 to the Reserve or Surplus Emergency Fund; thus the payments to our beneficiaries added to the accumulations to the credit of our living members equal within a fraction the gross mortuary premiums paid by all the members during the year.

New Business.

During the year 1893 we received applications for membership aggregating $64,-169,734.00, the largest volume of business ever submitted in one year in the history of this Association. Of this amount there was rejected $6,420,064.00, or 10 per cent. of all those who applied were declined admission, while there was accepted and written $57,-749,670.00. This amount not only exceeds the record of any previous year in our history, but surpasses the record of 1892 by over Nine Millions of Dollars.

Cash And Invested Assets.

At the beginning of the year 1893 our cash and invested assets were $3,690,592.76. We closed the year with $3,936,730.05, making a net increase of $246,137.29. This handsome increase was made in our cash and invested assets, notwithstanding the fact that we disbursed a Quarter of a Million Dollars more in death claims within the year than in 1892. Of said amount $2,450,000.00 is invested in first mortgages on improved real estate in New York City, said loans having been made with the approval of the Central Trust Company of New York City, in conjunction with the Board of Directors of this Association, after the Hon. Michael Coleman, formerly President of the Board of Tax Commissioners of the City of New York and the recognized best authority of New York real estate valuations, had certified that the amount of the loans would not exceed 60 per cent. of the conservative valuation of the property. The balance of said cash and invested assets is invested according to law in governmental securities and other investments, and deposited with the banks, all of which will be shown in the Auditors' report, which will be presented to you by the Auditors.

Certificate of Central Trust Company.

I take pleasure in presenting to you a detailed schedule, giving a list and location of property, of the investments made, with a certificate from the Central Trust Company of New York, duly signed by the Hon. F. P. Olcott, the president of said Trust Company, thus enabling each member to examine for himself the investments made by the Association, and the care exercised by the Association in making said investments will be demonstrated thereby.

Business in Force.

Our books show that on December 31, 1893, we had in force 82,716 policies, covering insurance amounting to $262,607,005, being a net increase of $26,185,275 for the year.

The phenomenal growth of our Association can be illustrated by a comparison with the three great life insurance companies of the world. To wit: The Equitable could not show a like amount of insurance in force before the year 1883, the twenty-fifth year of its existence; the Mutual Life not until the year 1872, the thirty-first year of its history; and it was not until 1856, the forty-fifth year of its existence, that the New York Life could report a like volume of business in force.

Saving Two Members.

The amount already saved to our living members by reduction of premiums as compared with the rates charged by the old system companies for ordinary Life Insurance now exceeds the sum of Forty Million Dollars. The saving at the present time to our living members exceeds Five Million Dollars per year. To further illustrate the great advantage of our system which has accrued to the beneficiaries of our deceased members, I would direct your attention to the fact that during the year 1893 there were approved for payment by the Board of Directors Death Claims amounting to $3,028,-650, and the total payments made by the deceased members for this insurance to the Association was but $461,005.78; these same payments, computed at the same ages and for ordinary life insurance under the old system companies, would have realized to the beneficiaries only $1,428,895, thus making an excess in death benefits paid by this Association over what the old system companies would have paid for an equal outlay by our deceased members of $1,599,755. In other words, our beneficiaries in 1893 have received over One and One-Half Millions Dollars more than they otherwise would have received under the old system for the same outlay on the part of the insured for the single year of 1893.

PROGRESS OF THE ASSOCIATION.

Year.	Insurance in Force.	Cash and Invested Assets.	Reserve or Emergency Fund.	Death Claims Paid.
1881	$ 7,650,000	$ 6,084.83		$ 1,000.00
1882	35,192,750	160,441.33	$ 11,906.05	31,250.00
1883	82,139,000	383,379.53	111,906.05	313,375.00
1884	85,435,000	390,775.03	271,440.05	815,375.00
1885	123,375,500	633,379.41	496,250.01	1,654,250.00
1886	156,554,100	1,473,200.41	1,303,061.87	4,183,071.93
1887	168,008,800	1,952,758.81	1,794,676.19	5,784,493.75
1888	197,000,400	2,693,175.90	2,772,288.85	8,746,853.79
1889	215,207,910	3,384,457.05	3,155,239.94	12,097,041.69
1890	262,607,005	3,936,730.05	3,589,326.12	17,654,353.86

Organization. | Equitable.....1892 | Mutual Life.....1892 | New York Life.....1862 | Mutual Reserve...1893

	Expense to each $1000 insurance in force.	Insurance in force to each $100 liability.
Equitable.....1892	$12 29	$8 95 $124
Mutual Life.....1892	14 34	9 95 109
New York Life.....1862	11 58	11 11 114
Mutual Reserve...1893	11 25	4 95 240

Liabilities.

The Gross Liabilities, including the Bond Dividends to policy holders, all outstanding death claims and a liability of $684,494.00, representing the net present value of all policies in force on December 31st last, which latter item is voluntarily assumed by the Association, were $2,136,496.81, and as the gross assets amounted to $5,138,516.36, we had on hand at the close of the year 1893 a surplus over and above all liabilities of $3,002,019.55.

Ratios Compiled from Official Records.

The following comparison of our record for the year 1893 with the three largest, strongest, best managed and most progressive of the old system companies for 1892 will show that the greatest possible care has been exercised by the management of the Mutual Reserve in the acceptance of risks, and that the strictest economy has been displayed in the managment of its general business:

Insurance Department.

Probably with a single exception, that of the Hon. John A. McCall, never in the history of the Insurance Department of the State of New York has its affairs been under the guidance and direction of a more competent, impartial and independent Insurance Superintendent than the gentleman who occupies that position at the present time. Under his administration every honorable and well-managed Life Insurance organization transacting business as provided by the statutes of the State of New York has received fair and courteous treatment. From the day when Hon. James F. Pierce became the Insurance Superintendent of the State of New York to the present time, the managers of every system of Life Insurance recognized by the laws of the State have realized the fact that a gentleman above reproach occupies the honorable position of Insurance Superintendent of the State of New York. For his courteous treatment we desire to extend our thanks. In the administration of his official duties he has not hesitated to call upon us for information regarding such matters of record as required his attention, and every detail of our business has been ever open to his investigation and inspection; and what has been true in our case we have no doubt has been likewise true with that of all other insurance organizations transacting business in our State.

Official Examinations.

During the year 1893 our Association has been examined by the Insurance Department of the State of Kansas, and I take pleasure in presenting to you a copy of the official report, which we received from that Department after said examination had been completed, which reads as follows:

OFFICIAL REPORT.

Kansas Insurance Department—Special Examination—Complete Indorsement.

June 26, 1893.

Mr. E. B. Harper, President Mutual Reserve Fund Life Association, New York City:

SIR,—Having been commissioned by the Hon. S. H. Snider, Insurance Superintendent of the State of Kansas, as Assistant Insurance Superintendent, to make an examination of the Mutual Reserve Fund Life Association, I have no hesitation in saying that your company is solvent, and from my examination of your investments they are decidedly good, and I consider the Association a first-class life insurance company in every respect and worthy the confidence of the people. The internal administration of your affairs is most admirably conducted.

(Signed), CHARLES A. TAYLOR,
Ass't. Supt. of Insurance, State of Kansas.

It is unnecessary for me to comment upon this report, which is a complete indorsement as to the correct administration of the affairs of the Association by the management. No less than twelve effort on my part to obtain the same. In fact, I was not aware until the receipt of the aforesaid checques, that my interests and those of my children were being looked after by yourself and the officers of the Mutual Reserve Fund Life Association.

This money will help to educate my children, as well as to feed and clothe them. For the kindly interest that you have manifested in my behalf and in behalf lof my little ones kindly accept my sincere thanks. Yours very truly,

(Signed) LUCY M. GROHT,
Tenafly, N. J.

Subsequent to the receipt of the above letter another testimonial from the same party was received, as follows:

HIGHWOOD, N.J., Dec. 8, 1893.

Mr. E. B. Harper:

DEAR SIR,—I feel myself much embarrassed how to express my feelings of gratitude to you. While at your office I so keenly felt the weight of your kind interposition in my behalf that I did not dare to trust myself to tell you then how much I appreciated it, and even now find I can hardly do justice to the subject. Perhaps there is some impropriety in troubling you with my thanks, but my heart prompts me to do so, and from my inmost soul I do it.

To me it seems as if fate has cast my station in the veriest shades of life, so utterly crushed am I, but God and nature have intrusted to me the welfare of others; the trust is sacred and the ties are dear; this rouses me to exertion. So with tears of gratitude I want to thank you for the great benefit you have done me and mine—to my latest hour I will remember it.

I cannot make you any return for your goodness but one—the honest, warm wishes of a grateful heart for the happiness of you and yours, and that when sorrow and affliction come to you and yours may friends—true friends—be near to soften the blow. With had on hand at the close of the year 1893 a surplus over and above all liabilities of $3,002,019.55.

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MUTUAL RESERVE NEW BUILDING, COR. BROADWAY AND DUANE-ST., NEW YORK.

building that has ever been erected in our city.

The first floor of this building has already been rented for nearly Thirty Thousand Dollars per annum, and our rent roll income already equals (for leases signed) nearly Seventy-Five Thousand Dollars per year, and yet with only a small portion of our building rented. Certainly too much credit cannot be given to our architect, Mr. William H. Hume, for the care exercised by him in the construction of this building, or to our builder, Mr. Richard Deeves, for the faithfulness with which he has executed every detail of his contract, as well as to the other contractors, namely: The Jackson Architectural Iron Works; Whitcomb & Co., carpenters; Wells & Newton, plumbers; Otis & Brother, elevators; each, up to the present time at least, seems to have vied with the other in furnishing the very best material and doing the best work possible to be done.

Foreign Departments.

Our business in Great Britain, France and other European countries is in a most satisfactory condition. Our losses in these countries have been less than in our own country, which fact is to be accounted for by reason that our foreign business has not been in force so long as the business in our own country. We have transacted business in these countries a sufficient time to prove that the mortality in Great Britain and other European countries will average no greater than in our own country; in fact, it will average less than in a number of our States.

Natural Premium or Assessment System of Insurance Endorsed by the People.

To prove that the Natural Premium or Assessment System of Insurance has been an educator of the people to the benefits of Life Insurance in every form, I desire to call attention to the fact that in 1870, before assessment insurance had been generally introduced, the Old System Level Premium Companies had in force upon their books $2,023,884,955. Each year thereafter it decreased until in 1880 the amount of insurance in force had diminished to the sum of $1,489,180,749, at which time the Assessment or Natural Premium System of Life Insurance was extensively introduced, and in 1881 the Mutual Reserve was organized, which is recognized as the leading Natural Premium Life Insurance Company in the world. The business of the Old System Level Premium Companies at once began to increase just in proportion as the people of our country were educated to the benefits of our Life Insurance through the Natural Premium or Assessment System. Each year thereafter the business began to increase, until in 1892 the Old System Level Premium Investment Companies had upon their books, as shown by the Insurance reports, $4,571,-147,550. This large yearly increase of new business was obtained by the Level Premium System commencing at the beginning of the Assessment or Natural Premium System of Insurance—the progress of which makes the following remarkable showing:

Progress of Natural Premium or Assessment Insurance.

Year.	Amount in Force at End of Year.	Losses Paid.
1882.....	$1,860,779,959	$ 18,728,173
1883.....	3,410,057,066	20,115,839
1884.....	3,785,163,363	22,932,056
1885.....	4,108,308,783	25,065,917
1886.....	4,473,768,742	30,734,059
1887.....	4,711,339,708	34,547,648
1888.....	4,921,901,693	38,739,415
1889.....	5,554,925,742	42,141,079
1890.....	5,930,583,000	46,431,983
1891.....	6,285,582,000	49,745,500
1892.....	6,974,320,000	55,513,373
Total.....		$379,663,122

The Natural Premium or Assessment organizations had enrolled upon their books, at the close of the year 1892 a membership of 3,309,079 persons. Counting five persons as interested in each membership, it would represent more than ONE-QUARTER of the entire population of the United States as being directly interested in the success of Assessment or Natural Premium Life Insurance. Thus it is clearly demonstrated that the success of the Old Level Premium Investment System can be traced directly to the educational influences of the Assessment or Natural Premium system, which has reached to the artisan and middle classes, bringing the cost within their means and thereby interesting them in the subject of life insurance. This in turn has educated all classes of the community to the importance of life insurance in furnishing protection to the widow and orphan, as well as an investment to the capitalist.

Foundation Principles.

The foundation principles of the system presented by the Mutual Reserve Fund Life Association continue the same to-day as in the past, which are to collect from the members the actual sum required for the payment of its current death claims and legitimate expenses, the same equitably apportioned among the members according to the age of the member and the amount of insurance held by each.

The Reserve or Emergency Fund is admitted to be an excess over the current cost, and therefore it is held, first, for the payment of excessive death claims, the object being to prevent excessive payments for the members in any year; second, if not so required, to be returned to the members by credit on their future premiums, or in cash at stated periods, as their contracts provide.

Successful Agents.

The number of faithful, industrious, successful agents employed by the Mutual Reserve, who are directly engaged in presenting its beneficent principles to the inhabitants of the various civilized countries of the world, can be numbered by the thousands, and to each one of these, without exception, the President, Officers and Board of Directors desire to extend their especial thanks for the efficient work they have performed during the year 1893. Space will not permit of making personal mention of these faithful representatives, but it gives me special pleasure to furnish the names of those who have secured the largest volume of business for the past three months, as provided and specified in the Prize Circular, issued by Third Vice-President J. D. Wells, namely:

First prize—J. S. Bagss, Chicago, Ill.
Second prize—Coates & Coates, Chicago, Ill.
Third prize—A. R. McNichol, Winnipeg, Man.
Fourth prize—J. T. Kirk, St. John, N.B.
Fifth prize—L. J. Carter, Helena, Mon.
Sixth prize—W. K. Murray, Brooklin, Ont., Canada.

To each of these gentlemen, who have won this honor, I extend my hearty congratulations and warmest commendation, and hope that the result of their work for the year 1894 may even exceed in amount the results obtained by them in 1893.

In conclusion, I desire to extend to my official associates and to our many loyal and efficient agents in the field, as well as to the two hundred employes in our office, my special thanks and obligations for the faithful work, help, aid and assistance rendered by them in their respective departments, and to the EIGHTY-THREE THOUSAND members enrolled upon our books, and located in every State in the Union, as well as in Canada, Great Britain, France, Spain, Italy, Belgium, Germany, Sweden and the West Indies, who have given to us their loyal support, I extend my sincere thanks for their confidence, and bespeak from them a continuation of the same. Respectfully submitted,

EDWARD B. HARPER,
President Mutual Reserve Fund Life Association.
New York, Jan. 24, 1894.

Mr. Henry J. Reinmund's Report.

Mr. Harper was followed by Second Vice-President Henry J. Reinmund. That gentleman said that the accepted business written this year was the largest of any year. It amounted to $57,749,670. This is an increase over the average yearly new business written during the first twelve years of $20,000,000. At the close of the year the Association had in force insurance amounting to $262,607,005, a net gain over the amount at risk on December 31, 1892, of $26,185,-275. It disbursed in death benefits during the year 1893 $2,951,853.23—an increase over the amount paid to beneficiaries during 1892 of $219,518.19. Notwithstanding this increase in death claim payments there was added to the Reserve or Emergency Fund during the year $218,922.54, making this Fund on December 31, 1893, $3,589,326.13. An increase in cash assets was likewise effected, thereby raising the cash and invested assets to $3,971,708.20, which has been carefully invested in "gilt edge" securities.

Death Claim Department.

O. D. Baldwin, the chairman of the Death Claim Department, said that between January 1 and December 31, 1893, there were presented to the Association, regulary audited, approved and paid, 835 death claims, amounting to $2,951,855.23, to beneficiaries numbering over 1200 persons, almost the entire number being the widows and children of deceased members, or for their benefit in the order of executors and administrators, a very small proportion being to creditors who held policies to secure indebtedness. The increase in the number of claims over those paid in the year 1892 was 122 claims, amounting to $219,-518.19. Claims amounting to $476,750 have been regularly approved to be paid from the proceeds of mortuary call No. 72, unless previously paid. Liabilities for death claims December 31, 1893, were stated at $850,720.40, of which amount $70,000 is now paid.

Treasurer's Report.

The state of the Association's finances was told by the Treasurer, Hon. John Vrooman. The total receipts for the year were $3,191,039.80. At the opening of the year there was a balance on hand of $3,440,424.71. This made a total of $6,-631,464.51. The disbursements for the year were $2,951,855.23, leaving a balance on December 31, 1893, of $3,679,609.28.

Report of Counsel Burnham.

Frederick A. Burnham, the Counsel of the Association, read an interesting report on the attempts made to defraud the organization. He also said that his department had passed upon more than 900 claims, and has certified to the payment of more than $3,000,000 of approved claims. Coming, as these claims do, from the various parts of the world, where the Association transacts business written in different languages and governed by the varying laws of the respective states and countries where the policies were issued, the labor involved in their examination and the ascertainment of the proper beneficiary in each case to receive the money, has been no slight task, but it has been carefully, thoroughly and promptly performed. The instructions which Mr. Burnham received from the Board of Directors at the time they committed this department to his care, which were that every honest death claim must be promptly paid, and in all cases of doubt to give the beneficiary the benefit of that doubt, have been steadily adhered to, so that, notwithstanding the large increase in the volume of insurance written by the Association, and the consequent increase in the number and amount of death claims of all sorts presented, the number of resisted claims or of pending suits is actually less than at any time since he has been connected with the Association.

Secretary's Report.

F. T. Braman, Secretary of the Association, reported that during 1893 $4,346,494.99 had been received by members, and $152,320.01 from interest and other sources, which, added to $3,690,-592.76 of net cash or invested assets, left on hand from 1892, made a total of $8,189,407.76 resources. From this total should be taken $4,252,677.71 disbursements, of which $2,951,855.23 represented death losses paid, $80 advance payments returned, and $1,300,742.48 all other disbursements, including commissions, salaries, advertising and office expenses. The result shows a balance of net cash or invested assets amounting to $3,936,730.05.

Other assets, consisting of loans on mortgages, $2,450,000; real estate and bonds, $427,215.11; cash in banks, $712,111.02 and $135,301.90, and accrued interest, uncollected premiums, etc., 000 to $1,136,156.36.

Liabilities are comparatively small, being confined to outstanding bond obligations, $601,282.41; losses in course of adjustment, $850,720.40, and net present value of all policies in force December 31, 1893, computed by the New York Insurance Department as "renewable term insurance for sixty days' actuaries' table, at 4 per cent. interest, not required by law, but voluntarily assumed by this Association, $684,404, making a total of $2,136,496.81.

The net surplus over all liabilities is therefore shown to be $3,136,496.81.

Mr. Braman also shows that $57,749,670 worth of applications for insurance had been accepted during the year, and 20,148 new policies of insurance had been written. A comparison of the number of policies in force at the end of last year and those at the close of 1892 shows an increase of 10,374 in the number of policies, representing $26,185,275.

Appended to Mr. Braman's report is a certificate signed by James F. Pierce, Superintendent of Insurance, authorizing the company to transact business according to law, and setting forth that the net amount of insurance in force is sufficient to meet the maximum amount of death claims possible during the current mortuary period.

AGENCY DEPARTMENT.

Report of J. Douglas Wells, Third Vice-President.

To the President, Directors and Members of the Mutual Reserve Fund Life Association.

GENTLEMEN,—The report of the agency department of this Association, which I now have the honor to present to you, is, after all, only a repetition of the old story of its progress and triumphs.

Prophecy More Than Fulfilled.

Everybody who has paid any attention to the subject of life insurance knows that there are few corporate bodies which are more sensitive to or more affected by a general financial depression than life insurance companies, and it was, therefore, with characteristic prudence that our distinguished President, in his annual report for the year 1892, only promised for the year 1893 "a volume of business equal, at least, to that obtained during any other year in the history of the Association." But, so wise has been our executive management; so energetic and intelligent have been the exertions of our agents; so constant and firm has been the ever-increasing confidence of the public; our business, actually accepted and written, has nevertheless, exceeded that of the previous year by no less a sum than $9,103,052—making the total insurance in force at the end of the year, $262,607,035, an increase of $26,185,275 over the amount in force at the end of 1892. The number of policies now in force is 82,716, or say an average of $3210 for each policy.

New Business.

The new business applied for amounted to $64,169,734, and was received as follows:

United States	$46,412,264
Canada	5,642,050
Foreign	12,114,870
Total	$64,169,734

Increasing Confidence.

In congratulating you upon this remarkable result, it is satisfactory to note, not only that the aggregate business of the whole year has so largely increased, but that the increase has progressed steadily from month to month. This will be seen from the following statement:

January	$6,645,950
February	4,270,850
March	5,071,200
April	5,089,300
May	4,514,185
June	4,659,900
July	4,950,025
August	4,101,650
September	4,940,500
October	5,369,125
November	5,130,750
December	10,920,099

It will also be seen from this statment that the new business received at the home office in the month of December amounted to $10,920,099, or an increase over December, 1892, of $2,344,923. I may add that, for the first month of 1894 up to the 26th, the new business already exceeds $10,-000,000, being an increase over the corresponding period in January, 1893, of about $5,000,000. No better evidence than these figures could possibly be furnished of the health and vigor of your Association nor give you a surer promise for the year 1894.

Slanderous Literature Suppressed.

I am glad to say that the concurrent reports of our agents, managers and superintendents inform me that so far, at all events, as this hemisphere is concerned, the days of slander are nearly over. This is, of course, mainly because the Association has grown too great for calumny, but also because it is now recognized by its three gigantic rivals in this city as a powerful and honorable competitor. The three companies to which I allude, namely, the New York Life, Mutual Life and Equitable, have treated our representations on this subject with the greatest courtesy, and I have reason to believe, have done what they could to repress the unscrupulous ardor of their minor agents. The President of one of these companies has, indeed, emphasized his disapproval of slanderous tactics by threatening immediate dismissal of all who disregard his instructions on this subject.)

Old Line Reserves.

With respect to these companies, and all other level premium companies, I have not one word of disrespect to utter. They have merely obeyed the law. But this country has already begun to realize that what is well adapted to a limited business is not adapted to what is practically an unlimited business; and that the accumulation of such vast sums in the hands of life insurance companies by way of what is called "legal reserves," is a serious blunder. The "legal reserves" of the level premium companies doing business in the State of New York alone now amount to about $800,000,000, and their assets to over $900,000,000, and these figures are increasing with alarming rapidity. The experience of the Mutual Reserve and the fact that its system has been practically adopted by some of the largest level premium companies have demonstrated beyond all doubt that a very large proportion of those "Reserves" has been recklessly taken from the people and converted into corporate investments. This question threatens to dwarf by its magnitude the three great problems which have been, and are now, occupying the attention of Congress, namely, the Silver bill, the Tariff bill and the Pension bill, and has become an interesting subject for political economists as to when and how it will end, and what will be the remedy. Will not the remedy be the exclusive control of all life associations by the Federal government, the handling over to that government of all the accumulated reserves and the universal adoption of the natural premium system? In an article recently published in The North American Review, President Harper, speaking of level premium companies doing business in the State of New York, said that "in a little over thirty years the insurance in force has increased from less than two thousand million dollars to over seventeen thousand million dollars, and that if a like increase is experienced in the next thirty years, the insurance in force will exceed one hundred and thirty thousand million dollars." If, therefore, the present accumulation of reserves continues to increase as it has heretofore done, it is quite possible during the lives of many who are present here to-day that the cash reserves of the level premium companies doing business in the State of New York will exceed seventy thousand million dollars. The Reserve Fund of this Association is ample, and more than ample, to meet any conceivable contingency, and is so managed, protected and controlled as to make it a bulwark forever. Our treasures are deposited in a safe "where neither moth nor rust doth corrupt and where thieves do not break through nor steal."

Sub-Committees.

In my report last year I referred to the "daily meetings of certain sub-committees of officers for the discussion of what might be called extraordinar matters." The sub-committee in the Agency Department for the past year consisted of the Hon. John W. Vrooman, F. T. Braman, G. R. McChesney, E. D. Ludwig and myself. I cannot sufficiently thank these gentlemen for their valuable assistance and co-operation. The success of the Agency Department, which mainly consists in the prompt despatch, is largely owing to their practical experience and advice, and I can safely say that there is no single feature of everyday management which has proved more satisfactory.

Thanks to Agents.

It is my privilege, my duty and my pleasure, in the name of the Association, to thank our agents for their untiring energy and intelligent zeal. It is impossible, for obvious reasons, to name any of them individually, although I am tempted strongly to do so, but I have no hesitation in saying of them collectively that there is no institution in the world that has more reason to be proud of its agency equipment at home and abroad than the Mutual Reserve.

Honors Conferred.

The members of this Association will be gratified to learn that, since our last Annual Meeting, the City of Toronto has, by an overwhelming majority, conferred the Mayoralty of that city upon one of our Council Officers—Warring Kennedy—and that Her Majesty the Queen has conferred a baronetcy upon Theodore Fry, M. P., a member of our Executive Council in Great Britain (whom we must hereafter address Sir Theodore Fry, Bart.), both distinctions having been conferred, no doubt, as a compliment to the Mutual Reserve.

Prize-Winners.

The following prizes have been awarded to the managers and agents who secured and forwarded to the head office the largest amount of business during the months of November and December:

First, J. L. Bayes, Chicago, Ill.
Second, Coates & Coates, Chicago, Ill.
Third, A. R. McNichol, Winnipeg, Man., Canada.
Fourth, J. L. Kirk, St. John, N. B., Canada.
Fifth, E. J. Carter, Helena, Montana.
Sixth, W. J. Murray, Brooklin, Ont., Canada.

The President.

I cannot close this report without paying a deserved tribute to our President, Mr. E. B. Harper. While he directs and governs the larger affairs of the Association with consummate skill, there is no department in the whole service, from the highest to the lowest, that he is not personally familiar with, and which he does not watch with keen eye. Already there are rumors in the air of very high political honors that are open to him—for the country has need of such men—and we know that he has recently refused an offer of high executive position and huge emoluments. Let us, therefore, who are around and about him, the officers and members of this great company, which he has framed and established—let us hope that his ambition may be satisfied with what has already accomplished, and what he may still accomplish in the same line, and that he will for many years deliver his annual message from our triumphal column on Broadway and continue to be, as he now is, the brain and the heart of the Mutual Reserve Fund Life Association. Respectfully submitted,

J. DOUGLAS WELLS,
Third Vice-President.

Report of Medical Director James W. Bowden.

During the past three or four years the Russian influenza, known as "La Grippe," widespread in its domain and powerful in its farreaching, baneful influence, has made tremendous devastation in our country. Despite the skilful physician, the faithful nurse and the fostering care of dear ones, its evil influences still continue to be an important factor in the mortality of our country, even the strongest having been forced by its repeated attacks to succumb.

Diseases of the respiratory tract, the circulatory system and the renal organs are found to be active factors in adding to the silent majority, which diseases may or may not have been acute in their character.

Neither by any means has the chapter of accidental death been a small one, but to each and every case—be death due to the ravages of disease or be it the result of accident—the Mutual Reserve Fund Life Association has given careful consideration, and not only has every legitimate death claim been paid in full, but in nearly every case the date of the policy has been paid before it was actually due according to the terms of the policy.

In this imperfect report I have purposely avoided entering into detail, knowing full well that others better qualified than I will present to you facts and figures for consideration, and preferring rather that my efforts should speak for themselves as they appear engraved upon the volume of the business inscribed upon the scroll of 1893.

JAMES W. BOWDEN,
Medical Director.

The next report was that of Medical Supervisor L. L. Seaman, read in the absence of Dr. Seaman by Secretary Braman. In closing his report Dr. Seaman said:

Report of Medical Supervisor Louis L. Seaman, M.D., LL.D.

In addition to the protection of the Association from attempted frauds it is within the province of the Medical Supervisor to ascertain to the utmost extent the moral hazard involved in all the risks which are proposed to the Association, as well as to identify those who are examined by the physicians of the Association as being the same as those whose names appear on the application.

In addition to the duties mentioned this department has full charge of all foreign applications, those from Canada excepted. The foreign business for the past year has been exceedingly gratifying, and shows a large increase in the number of policies written over that of the preceding year.

Applications have been received from the following countries: Great Britain, France, Germany, Italy, Belgium, Sweden, Norway and the West Indies. The death rate in all these countries has been comparatively small.

The special attention of the department has been directed to elevating the standard of the examination for admission to the Association by selecting at each point where business is done the most competent and reliable physicians as examiners. When it is considered that there are something like 10,000 physicians employed in this capacity by the Association, it will be seen that the task is one of no small magnitude.

Respectfully submitted,

LOUIS L. SEAMAN, M.D., LL.B.,
Medical Supervisor.

The report of the Investment Committee was then read by Dr. Charles R. Bissell, chairman, as follows:

Report Of Investment Committee—Dr. C. R. Bissell, Chairman.

C. R. Bissell, chairman of the Investment Committee, told how the funds of the Association are invested. He said:

To the President, Directors and Members of the Mutual Reserve Fund Life Association;

January 22, 1894.

GENTLEMEN,—Your committee, through its chairman, respectfully reports that on the 31st day of December, 1893, your Reserve, or Emergency Fund, amounted to $3,589,326.12; an increase over the year preceding of $218,022.54; the amount invested in bond and mortgage is $4,450,-000.

This last amount, with which this committee has especially to deal, is loaned on first-class improved real estate in this city as first mortgage, not to exceed 60 per cent. of its value, these mortgages being held in trust for the benefit of the members by the Central Trust Company, our trustees. The value of ground represented by these mortgages is $1,857,550, and the value of the buildings upon the ground is $2,464,950, making a total value of $4,352,500. In addition to this security, the fire insurance carried upon these buildings, covered by these mortgages, safe, reliable companies in favor of this company, amounts to $2,001,100. The net interest on