

## SUN LIFE AND FEDERAL TO MERGE

### Details to be Given on March 1st—What the Companies Concerned Say About It

An agreement was completed this week by which the Sun Life Assurance Company, of Montreal, takes over the Federal Life Assurance, of Hamilton. The control of the latter company had, it was generally understood, been in the hands of Mr. Cawthra Mulock, Toronto.

The terms of the amalgamation will confer advantages upon the policyholders of both companies. The merger should reduce the expenses of the business of both companies, with corresponding benefits to the policyholders.

As a result of the arrangement the Federal Life policyholders will participate in future Sun Life profits from March 1 next, when all concerned will receive complete particulars of the agreement and the terms of the proposed merger. The Sun Life contracts will assume directly with each Federal Life policyholder the liability under his policy, and a certificate of guarantee to this effect is being given.

#### Federal Life's Career.

The Federal Life commenced business in 1882. One of its founders, the late David Dexter, of Hamilton, occupied the position of managing director until 1902. In that year he assumed the dual office of president and managing director, which position he continued to hold until his death in 1912. Thereupon Dr. M. H. Aikins, of Burnhamthorpe, who for a long period had been a director of the company, and for many years one of its vice-presidents, was elected to the presidency. Among the directors of the company are:—John B. Holden, first vice-president; Thomas C. Haslett, K.C., Hamilton, vice-president; E. H. Laschinger, Toronto; David A. Dunlap, Toronto; Hugh Guthrie, M.P., Guelph; F. J. Howell, Hamilton; W. G. Watson, Toronto; John Lennox, Hamilton; W. S. Morden, Toronto; and John R. Grover, Toronto.

#### Approves of Merger.

At the meeting of the Federal Life board of directors held in Hamilton on Tuesday, to consider the agreement, both the shareholders' and policyholders' directors unanimously approved of the arrangement. "The amalgamation agreement entered into between the Federal and Sun Life Assurance companies will, I feel assured, be regarded by them as advantageous, and meet with their unqualified approval," said Dr. M. H. Aikins, of Burnhamthorpe, the president of the Federal Life Assurance Company, in an interview. "The Federal Life directors, conscious of the position of trust which they occupy, have endeavored to especially safeguard and advance the interests of their policyholders and are confident that the terms of the agreement will clearly establish that such object has been attained.

"The financial strength and leading position of the Sun Life Assurance Company in the insurance world are in themselves a sufficient guarantee that any undertaking entered into by them will be carried out, not only with fidelity, but with generosity as well."

#### Sun Life's View of It.

The directors of the Sun Life Company, at their last meeting in Montreal, unanimously approved of the agreement. The directors of this company are:—Robertson Macaulay, president; S. H. Ewing, vice-president; W. M. Birks, Hon. Raoul Dandurand, George E. Drummond, J. R. Dougall, H. Warren K. Hale, Philadelphia; Sir H. S. Holt, Chas. H. Hosmer, J. McKergow, Abner Kingman and T. B. Macaulay.

In confirming the announcement of an agreement for the amalgamation of the companies, Mr. T. B. Macaulay stated that he considered the proposed arrangement highly beneficial from the standpoint of both companies. Now that the agreement has been ratified by the Federal directors, notices of the terms would be immediately sent out to the Sun Life shareholders. He expected the approval to be unanimous and that no delay would ensue in putting the agreement into effect other than the 30-day interval provided by the insurance law. As the agreement was a clean-cut and mutually beneficial arrangement, the sanction of the treasury board at Ottawa would, no doubt, be granted without any hesitation. In referring to the agreement Mr. Macaulay said one very favorable feature was that the two companies would now

be able to work together in the foreign field, where both have important interests at the present time.

The following table, compiled by *The Monetary Times*, shows the net amount of insurance in force and the total assets of the Sun and Federal, of the two companies combined, and of other companies with over \$40,000,000 of insurance in force. The figures are for the year ended December 31, 1913:—

Company.	Net amount of insurance in force In Canada.	In other countries.	Total insurance in force.	Total assets in Canada.
Sun .....	\$ 98,923,250	\$103,440,747	\$202,363,997	\$55,726,347
Federal .....	25,948,981	684,502	26,633,483	5,400,944
<b>Sun and Federal .....</b>	<b>\$124,872,231</b>	<b>\$104,125,249</b>	<b>\$228,997,480</b>	<b>\$61,127,291</b>
Canada .....	106,350,254	42,877,904	149,228,158	52,101,794
Great West .....	93,846,079	2,047,433	95,893,512	14,382,656
Mutual of Canada .....	85,109,203	706,890	85,816,093	22,252,724
Manufacturers .....	55,928,964	23,064,920	78,993,884	17,588,515
Confederation .....	54,959,648	13,243,872	68,203,520	18,454,425
North American .....	46,601,142	5,155,669	51,756,811	14,043,814
Imperial .....	36,882,455	3,347,977	40,230,432	9,111,395
Metropolitan, N.Y. ....	136,791,004	.....	.....	18,287,459
New York Life .....	64,091,695	.....	.....	15,329,081
Prudential, of Newark ..	49,027,994	.....	.....	2,619,331

#### Some of the Shareholders.

At the end of 1913, the Federal Life had subscribed capital of \$1,000,000, of which \$130,000 had been paid in cash. The largest shareholders were then as follow, the figures being the amount of stock subscribed for in each case:—W. H. Austin, estate, Trenton, \$10,000; Dr. S. Cummings, Hamilton, \$10,500; David Dexter, estate, Hamilton, \$11,400; E. H. Laschinger (in trust), \$658,400; Rev. S. M. Right, Smiths Falls, \$10,000; Mrs. J. O. McCutcheon, Toronto, \$33,500; Rev. R. Whiting, Kingston, \$10,000; Dr. A. Woolverton, Hamilton, \$11,400; Mrs. I. Wilson, Toronto, \$14,300; F. C. Wilmott (in trust), Milton, \$10,000. In the list of shareholders are four doctors, 14 clergymen (some estate and some in trust), 23 ladies and 17 in trust and estate holdings.

At the end of 1913, the subscribed capital of the Sun Life was \$1,000,000, of which \$250,000 was paid up. The following were then some of the larger shareholders:—Misses S. McKay Allen, Huntingdon, \$41,500; Misses H. G. Bate, Ottawa, \$14,300; C. Cushind, estate, Montreal, \$10,000; R. M. Cushind, Montreal, \$14,700; S. H. Ewing, Montreal, \$14,200; Misses B. Gilroy, Winnipeg, \$12,600; Miss C. M. Hendershot, Buffalo, \$10,000; W. H. Hill, Peterboro, \$30,000; Abner Kingman, Montreal, \$10,000; Misses B. T. Lunan, Huntingdon, \$26,400; R. Macaulay, Montreal, \$118,000; T. B. Macaulay, Montreal, \$65,000; Dr. H. R. Macaulay, Guelph, \$24,800; J. M. McCaskill, executors, Toronto, \$11,900; E. C. Norsworthy and J. A. McQueston, Montreal, \$15,000; Mrs. S. L. Ogilvie, Montreal, \$21,000; A. Piddington, executors, Montreal, \$15,000; Quebec Bank, Montreal, \$16,700; Frank W. Ross, Quebec, \$37,100; W. G. Ross, Montreal, \$10,600; Mrs. M. I. Ryan, estate, Toronto, \$13,000; L. H. Tasker, New York, \$17,500; Miss M. H. J. Tasker, Montreal, \$13,200; J. C. Tory, Montreal, \$51,200; J. Waldie, estate, Toronto, \$14,300; and H. A. Wilkes, K.C., Brantford, \$10,000.

#### Companies' Results.

A summary of the excellent results of the Sun Life's operations last year, appeared in *The Monetary Times* last week. The income of the Federal Life last year was \$1,318,936 as compared with \$1,245,140 in 1913. New assurances issued and received were larger by \$54,511, the total for last year being \$5,406,245. The company's assets are \$5,913,181. Policyholders received last year \$524,264 and a surplus of \$457,887 resulted from the transactions of the past twelve months.

The annual meeting of the Strathcona Fire Insurance Company was held recently at Montreal. This company, which has an authorized capital of \$500,000, of which \$300,000 has been subscribed and \$74,830 paid in, carries on its business within the Province of Quebec. Its directors are all well-known notaries of Montreal, Quebec and other important towns in the province, and the stock is mainly held by these notaries, who act as the company's agents. The company began business six years ago. The report submitted to shareholders showed gross premium income for 1914 of \$124,119. The management was able to add \$14,038 to surplus.