

The Travellers' Life

President Graham and Secretary Earle
reply to Recent Criticisms

Travellers' Life Assurance Company,
Office: 608-7 New Birks Bldg., Phillips Square,
Montreal, June 30th, 1915.

Dear Sir:—In your issue of June 24th appeared an article on this Company, which was largely quoted from the Toronto "Saturday Night." The attack on the company by "Saturday Night" was entirely untrue, and the statements made were in many instances not in accordance with the facts. I am enclosing the June 26th issue of "Saturday Night," in which appears a letter of the president of our company dealing with this matter. Will you kindly publish this letter in your paper, giving it as much prominence as the previous article relating to our company. In connection with the list of investments held by this company which was given in your paper, I beg to call attention to the further list of investments held by our company at the present date:—

Book value:
City of Guelph School Debentures \$10,418.00
City of Brantford Bonds 19,046.00
City of Winnipeg Bonds 4,925.00
City of Peterboro Bonds 21,038.40
City of Three Rivers Bonds 4,364.50
Town of St. Pierre Bonds 4,622.50
Call Loans 15,000.00
First mortgage on improved real estate 27,500.00

Your attention is directed to the financial position of this company as shown by the Government report of date December 31st, 1914:—

Assets \$229,306.50
Liabilities 135,080.08
Excess of assets 94,226.42
Subscribed and uncalled capital 490,160.00
Total surplus security to policy holders 584,386.42

Being over four times the amount of liabilities.

Very truly yours,
A. J. EARLE,
Secretary.

Hon. Mr. Graham on The Travellers' Life of Canada,
Montreal, June 18th, 1915.

Dear Sir:—Having always believed that Saturday Night was to be fair, I read with some surprise your article of June 12th, attacking The Travellers' Life Assurance Company of Canada. There surely must be a misconception on your part as to the situation, and I take this opportunity of placing before you a statement of the business and methods of that company.

You intimate, while other companies were buying municipal debentures and school bonds we were investing in industrials, leaving the impression that other companies did not deal in the latter class of securities, and that our company carried no municipal bonds. As a matter of fact, with very few exceptions, all life insurance companies in Canada invest in industrials as well as municipals, and The Travellers' Life of Canada has a healthy list of gilt-edged municipal securities and mortgages in addition to the list of industrials you quoted. It might be added that this company deals only in first mortgage bonds. The industrials we carry are:

Ames-Holden-McCreedy, bonds.
Canadian Tube & Iron Co., bonds.
Sherwin-Williams Co., bonds.
St. Lawrence Sugar Refinery Co., bonds.
National Brick Company, bonds.
Ontario National Brick Co., bonds.
Waysagmack Pulp & Paper Company, bonds.
Dominion Manufacturers, bonds.

and your article suggests that no well-managed life insurance company would invest in these.

I find by the last Government Blue Book, with figures to December 31st, 1913, The Federal Life (now Sun) holds \$25,000 of St. Lawrence Sugar Refinery Co. bonds, and \$25,000 Sherwin-Williams; The North American Life holds \$113,000 Ames-Holden-McCreedy bonds, and \$115,000 Sherwin-Williams; The Standard Life holds \$25,000 Ames-Holden-McCreedy bonds, and \$25,000 St. Lawrence Sugar. The Sun Life holds \$150,000 National Brick. Surely you will not suggest that these are not well-managed companies.

Allow me to refer to your particular reference to three of these securities, viz: National Brick, Waysagmack and Ontario National Brick. The first named will be found, as I have pointed out, in a large block in one of the best managed companies in the world (The Sun Life). Waysagmack, for which we paid \$1. has been quoted within the last ten days at 76, and as you admit it is worth 74 to-day, no further explanation is necessary concerning that security. Our small holding of Ontario National Brick has been sold for cash at full book value with accrued interest. This leaves but two of the list quoted not dealt with. Canadian Tube and Iron Company and Dominion Manufacturers. The former 6 per cent, first mortgage bonds were bought by our company at 98 1/2, and the last sale on record was at par and interest to the C. T. & I. Co. itself for sinking fund purposes. The Dominion Manufacturers bonds were purchased by The Travellers' Life at 83 1/2 and interest, and have since sold at 90. The Dominion Manufacturers has more than \$1,250,000 in net assets against a total outstanding bond issue of \$490,000.

You criticize the falling off in our company's business. I think it will be found that the majority of life insurance companies in Canada had the same experience, both as to business written and lapses in 1914 as compared with 1913. A large percentage of our lapses was due to the fact that in the earlier history of the company many large policies were written, and as this company carried only \$3,000 on each risk (afterwards increasing to \$4,000, and later to \$5,000), the excess over this comparatively small amount, which we carried ourselves was all re-insured. Every insurance man knows that the profit is made in the business carried by the company itself and not on that which it has to hand over to other companies. Many of these large policies, in which this company had but a trifling interest, lapsed under the pressure of hard times, and the company has been devoting its attention to the issuing of smaller policies and a greater number of them. As a result, notwithstanding the almost calamitous financial situation, during the past year we added a creditable amount to our net insurance and increased our assets by \$50,000. In my humble judgment the company's business is in far better position on account of the change in method.

As to profits, it ought to be borne in mind that while some provision might be made for profits to policyholders, it is a physical impossibility for any young company to honestly pay profits to its shareholders during the first few years of its existence. No company ever did it so far as I know, and under

WAR RISKS ASSOCIATION ADJUSTS LUSITANIA CLAIMS

London, June 18 (by mail).—Considerable progress has been made by the committee of the Liverpool and London War Risks Insurance Association in the adjustment of the claims of those who were dependent on the members of the crew of the Lusitania who lost their lives. The committee have made the following, among other awards: To the widow of a captain, a pension of £201 6s 8d per annum; to the widow of a junior engineer, a pension of £52 9s 5d per annum, in addition to a sum of £300 paid into court, and an annual allowance of £24 6s 6d, in respect of the children under sixteen.

France is now making arrangements to stop the payment of prize money to the navy, and a law has been drafted which awards to the Treasury the full value of all prizes, as it is the country alone which bears all the expenses of war, besides paying all indemnities for seizures at sea which are effected irregularly or without sufficient cause. Nevertheless, the projected law allows one-third of the proceeds as a prize, not to the captors, but to an institution caring for marine invalids, thus providing a special fund for all who have been wounded in the service of the country since the opening of hostilities, creating a common fund from which officers and men and their families will receive benefits.

The British steamer *Lona*, sunk by a submarine on her way from Middlesbrough to Montreal in ballast, was insured for marine risks on a value of £25,000.

REMINGTON ARMS CO. WILL BUILD \$7,000,000 PLANT IN CANADA.

Niagara Falls, Ont., July 2.—William H. Webster, Chicago, who is here attending the annual summer meeting of the National Association of Brass Manufacturers, said to-day that the Remington Arms Co. will soon start on the erection of a \$7,000,000 plant in Canada for the manufacturing of arms and ammunition for the allies. Mr. Webster would not say where the plant would be built, but it is thought that either Halifax or Montreal will be the site.

Mr. Webster said to-day the brass manufacturers faced a serious situation on account of the scarcity of spelter. The war has cut off supplies of spelter and copper from Europe. These materials are used largely in manufacturing munitions for the war. Much of the time of the brass men will be occupied in discussing the situation.

LONDON STOCKS STEADY.

London, July 2.—Stock markets generally steady. Consols 65. War Loan 93 1/2.

Amal. Copper	1 p.m.	Equiv.	Changes.
Atchison	103 1/2	77 1/2	Off 3/4
C. P. R.	148 1/2	98 1/2	Off 1/4
Erie	26 1/2	141 1/2	Off 1/2
M. K. & T.	9	25 1/2	Off 1/2
Southern Pacific	9 1/2	8 1/2	Off 1/4
Southern Ry.	15 1/2	8 1/2	Off 1/4
Union Pacific	12 1/2	125 1/2	Off 1/2
U. S. Steel	6 1/2	59 1/2	Off 3/4

Demand Sterling 4 7/8.

SOUTHERN PACIFIC REWARDED.

San Francisco, Calif., July 2.—The Panama Pacific Exposition awarded the Southern Pacific Company a grand prize which will consist of a medal and diploma covering railway track, equipment, shop products and the safety first exhibition in the transportation building and a traffic promotion exhibit in the company's own building.

VIOLENT AND SUDDEN DEATHS NUMBERED 643 IN SIX MONTHS

According to statistics compiled by the clerk of the local coroner's court, 643 persons succumbed to sudden or violent death in the district of Montreal since the beginning of the year. Coroner McMahon and Deputy Coroner Biron have held 599 inquests without juries, while in 44 cases the presence of juries was necessary.

The number of sudden deaths from natural causes during the first half of the year was 392; those losing their lives as the result of accidents numbered 213. There were 25 suicides, 12 cases of criminal homicide and one of excusable homicide.

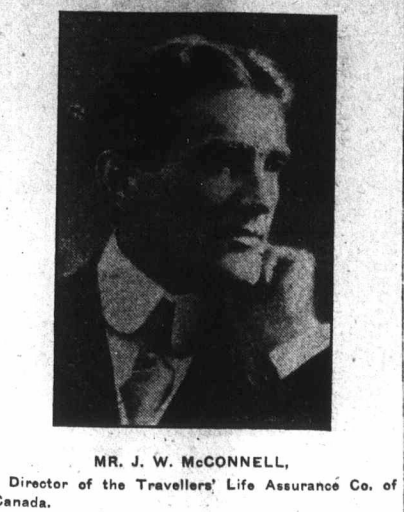
During the six months 34 deaths resulted from falls; 39 from drownings; 29 from burns. There were 13 victims of railway accidents; 16 were killed by street cars; 9 by automobiles; 5 by carts. Five persons were asphyxiated by gas; four lost their lives by electrocution and five by elevator accidents.

THE LOSS BY FIRE

(Special to the Journal of Commerce.)
Hamilton, Ont., July 2.—Lightning struck Thos. Russel & Son's planing mill here yesterday evening during a thunder storm. Fire broke out and the building and machinery was damaged, the loss being estimated at from \$5,000 to \$30,000, covered equally by the Commercial Crown and National Assurance Companies. A large war order of cartridges was destroyed.

Washington, July 2.—Government Forest Service estimates that forest fires last year burned over an area of approximately 5,000,000 acres with the total loss of at least \$3,500,000.

Exports of cartridges, etc., from the United States in nine months, including April, totals \$27,000,000, according to a statement by the Department of Commerce.



MR. J. W. McCONNELL,
Director of the Travellers' Life Assurance Co. of Canada.

REFUSE LIABILITY FOR LOSS DUE TO WAR

Insurance Companies Serve Notice on Policyholders Demanding Exemption in War Zone

CLAIM LEGAL RIGHT

Would Force Insured to Sign Rider or Cancel Policy
—Enormous Losses on Lusitania Caused
Decision.

New York, July 2.—Because of the sinking of the Lusitania by a German submarine and the fear that similar disasters may occur in the future, insurance companies have served notice upon the holders of accident and disability policies that they must sign riders to their policies, exempting the companies from liability for accident or injury sustained through the risks of war in a war zone, which, as specified in the riders, embraces two hundred and ten degrees of longitude, more than half the area of the world, or that portion stretching eastward from twenty degrees west of Greenwich to the meridian, 120 degrees west. In other words, the war zone so specified includes a wide belt of the Atlantic Ocean, all of the British Isles, the Continent of Europe, the Mediterranean Sea, Africa, Asia, Australasia, and Malaysia, and the greater number of the islands of the Pacific and Indian Oceans.

Policyholders are given the option of signing the riders or else having their policies cancelled, the companies returning to them the paid-up premiums. To questions as to the legality of this step, insurance men replied that there could be no doubt of the companies' right to take it, in view of the clause which reserves the privilege to the issuing companies of cancelling any policy at a moment's notice, upon repayment of paid-up premiums, if any valid reason appears for so doing. The enormous money losses sustained by accident and disability insurance companies, through the sinking of the Lusitania, and the White Star liner Titanic a few years ago, aroused fears that a series of similar ocean disasters, together with the dangers of airship raids and invasions, might produce such a volume of claims as would bankrupt them.

The Aetna Life Insurance Company of Hartford, Conn., which was one of the first companies to serve notice, through its accident and liability department upon policyholders that it would not be responsible for accidents incurred in the war zone, in its letter of explanation, stated that it had been obliged to pay out nearly \$200,000 to the estates of passengers who were killed when the Lusitania went down. The estate of Elbert Hubbard, it is understood, alone collected \$82,000 in accident insurance from this company.

The company's letter to policyholders, which is signed by E. C. Bowen, assistant secretary, reads as follows:

As a result of the sinking of the Cunard liner the Lusitania, due to an attack of submarine warfare, this company is confronted with losses under accident and disability policies carried by passengers aboard the ship who are numbered among the dead, amounting nearly \$200,000.

The premiums charged for accident insurance are not sufficiently large to cover injuries and death due to warfare, and we think it not unreasonable to ask all of our accident and disability policyholders to relieve the company from liability under such conditions by signing the enclosed war rider. This rider defines a war zone, and provides that the policy shall not cover accident or injury sustained within the war zone, if due to any of the risks of war, or if due to damage to or loss of any vessel. All other accidents or injuries sustained within the war zone are covered the same as heretofore. The rider also provides that the conditions imposed by it will be automatically removed at the end of three months after the declaration of peace.

FOREST FIRES IN U. S.

Washington, July 2.—Government Forest Service estimates that forest fires last year burned over an area of approximately 5,000,000 acres with the total loss of at least \$3,500,000.

EXPORTS OF CARTRIDGES, ETC.

Washington, July 2.—Exports of cartridges, powder, fire-arms, etc., from the United States in nine months, including April, totals \$27,000,000, according to a statement by the Department of Commerce.

PERSONALS

Mr. J. A. Lanellier, of Ottawa, is at the Queen's.

Mr. P. A. Elder, of London, is at the Ritz-Carlton.

Dr. P. Trudel, of Quebec, is at the Place Viger.

Mr. D. M. Johnston, of Toronto, is at the Ritz-Carlton.

Major-General Sam Hughes sails from New York to-morrow for England.

Three French officers, headed by Captain Escaro, of Algeria, are at the Windsor.

THE WAR WILL INCREASE RISKS OF ORDINARY LIFE

While insurance Will Be More Than Ever a Necessity
New Conditions Will Confront
the Companies.

That the great European conflict must necessarily have very far-reaching effects upon insurance is obvious, says the Finance Chronicle of London. In previous wars the numbers actually engaged have been very much less, and more than that no war before has affected all the non-combatants to such an extent, or produced such a terrible effect on all neutrals. So much is clear enough to all. But as matters stand, and as they will certainly stand when peace comes, it is to be feared that insurance men will have to face not a few problems, and in promoting life insurance it will be essential to take into practical consideration many new factors that will arise out of the exigencies of the present great conflict.

The other day a daily paper, dealing with the economic side of war, actually hinted that in middle-class life it was inexpedient to pay heavy premiums for insurance. It is very rare to find such utterance in any newspaper or to hear such a sentiment from the platform, but it is perfectly clear that while insurance will be more than ever an actual necessity of ordinary daily life, insurance men will find themselves confronted by many quite new conditions of contemporary life, which will have to be faced and duly dealt with. In all our previous wars the numbers of fighters enrolled on our side have been comparatively small, relatively to the whole community. The return, after a former war ceased, to the United Kingdom of, perhaps, a hundred thousand men did not affect the rest of the population to any appreciable extent in regard to morale, or, indeed, in any particular way, psychic or physiological. But now all is changed, and the return of some millions of men and a not inconsiderable number of women to peaceful life from campaigns which in strenuousness and mortality far surpasses anything of the kind ever known before, must of necessity result in inducing a very strong leaning of all that is embraced in that one word War into the ordinary life of the day, public and private too.

There will be for a time a very different trend of thought, a changed point of view, a greater disposition to recognize force as a leading factor in human affairs, a much increased tendency towards the active and strenuous life with a turning away among numbers from what will appear by contrast with their personal experiences, much too humdrum an existence to be tolerated by heroes of war. We say heroes of the war, because never before has there been such a veritable avalanche of heroes as this war has produced. There will be among the younger especially much more disposition towards doing what are really foolhardy things than has ever, perhaps, been known in this country.

The "risks" of ordinary civil life here will appear to the returning myriads after the war, as contemptible as did our army at first to the Germans, and, as a result, more accidents will occur and more constitutions will be wrecked through carrying out the details of a strenuous life worthy, of course, of the heroes who have suffered such awful things in the trenches of the great battlefields. A daily journal already gives illustrations of the very violent exercises recommended for even the middle-aged who desire to be what is called "fit," and so we shall have constant incitement all around for taking new "risks" in ordinary life previously virtually unknown here.

That this influential result will come from the present war who can reasonably doubt? To indicate how far-reaching these influences will be one has only to ask what chance have the agitators who seek to abolish capital punishment to carry their point? How can they plead for the sanctity of human life when the whole nation has been deluged with massacres, wholesale slaughter and death-dealing engines in a manner never before experienced? Of course, with a certain percentage of the really educated, of the truly thoughtful, of the more cultivated classes, the war will have no such influence. It will only make them more than ever the earnest advocates of peace, but with the majority what can be rationally anticipated but a strong recoil to more or less primitive passions and a harking back to the days of old when war was generally deemed to be the noblest form of exercise for all who called themselves men?

MR. SHEARSON TAKES HOLIDAY.

Mr. Edward Shearson, of Shearson, Hammill & Co., is now on his way to England, where he will spend the summer.

SIR CHARLES TUPPER'S BIRTHDAY.

Sir Charles Tupper is to-day celebrating his 94th birthday.

MARITIME PROVINCE SECURITIES

(Quotations furnished by J. C. Mackintosh & Co., members Montreal Stock Exchange, 166 Hollis Street, Halifax, N.S.)

	Asked.	Bid.
x Eastern Canada Savings & Loan	145	140
x Eastern Trust Company	160	155
x Mar. Tel. & Tel. Pfd.	100	95
x Do. common	80	75
x N. S. Underwear, pfd.	95	90
Do. common	35	30
Porto Rico Tel. pfd.	105	102
Do. common	50	45
Stanfields, Ltd., Pfd.	95	90
Do. common	45	40
Trinidad Electric	72	65

Bonds:—
Brandram-Henderson, 6 p.c. 98 95
Eastern Car, 6 p.c. 98 95
Mar. Tel. & Tel., 6 p.c. 102 100
Maritime Natl., 6 p.c. 100 97
Porto Rico Tel., 6 p.c. 100 98
Stanfields, Ltd., 6 p.c. 98 95
Trinidad Electric, 5 p.c. 85 80

x Ex-dividend.

DETROIT UNITED RY. DIVIDEND.

New York, July 2.—Detroit United Railway was declared the regular quarterly dividend of 1 1/2 per cent. on capital stock, payable September 1 to stock of record August 16.

EDMONTON RADIAL RAILWAY.

The statement of traffic for the Edmonton Radial Railway for the week ending Wednesday, June 22nd, 1915, is as follows: Passengers, 172,474; earnings, \$8,196.14.

LOEW'S THEATRE DIVIDEND.

Marcus Loew's Theatre Company has declared its regular quarterly dividend of 1 1/2 per cent. for the quarter ending yesterday, payable on July 13.

INSURANCE COY'S OPERATING IN OKLAHOMA NUMBER 225

Oklahoma City, July 1.—According to the report of A. L. Welch, State Insurance Commissioner, there were 225 insurance companies and associations operating in Oklahoma during the fiscal year ended Dec. 31, 1914. Of this number 55 were life insurance companies, 39 fraternal associations, 78 fire insurance companies and two were domestic hail insurance companies.

The life insurance companies wrote a total of \$41,612,110.59 new business represented by 46,770 policies; of this number 21,248 were industrial policies. The premiums paid were \$4,786,915.96, and losses paid were \$1,094,277.84.

The fraternal associations, during the year, wrote business amounting to \$25,732,665, the premiums on which were \$1,557,454.82, and paid their certificate-holders on death, sick and accident claims \$924,378.49.

The premiums collected by the fire insurance companies amounted to \$4,192,340.72, and losses paid were \$2,402,594.84.

The miscellaneous companies collected \$1,130,788.81 in premiums and paid out in losses \$748,891.42.

The two domestic hail companies licensed to operate in Oklahoma received in premiums \$102,579.59 and paid losses to the amount of \$13,757.41.

Foreign fire insurance companies operating in Oklahoma during the year, met with an exceptionally unfavorable loss ratio upon their fire business. While the total net premium receipts exceeded those of the previous year over \$400,000, the loss incurred upon this business exceeded the percentages of 44.19 by over 22 per cent. In other words, on a net premium income of \$3,355,827.04, the losses incurred were \$2,221,244.55, or about 66.2 per cent. under fire policies.

If it were not for the fact that these companies carried other lines of insurance along with their fire business, this heavy loss ratio would certainly have been the cause of preventing them from obtaining any profit whatever upon their Oklahoma business during 1914.

RESUMES FULL TIME OPERATIONS.

Chicago, July 2.—The shops of Mohle and Ohio at Murphysboro, Illinois, has resumed operations on full time after having been practically closed since last October.

MR. HARRIS A JUDGE.

R. E. Harris, K. C., of Halifax, President of the Nova Scotia Steel and Coal Company, Ltd., has been appointed to the Supreme Court Bench of Nova Scotia.

La Compagnie de Montréal Est, Limitée

"PUBLIC NOTICE" is hereby given that under the First Part of Chapter 78 of the Revised Statutes of Canada, 1906, known as "The Companies Act," supplementary letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 14th day of May, 1915, increasing the capital stock of "La Compagnie de Montréal Est, Limitée," from the sum of one hundred and fifty thousand dollars to the sum of four hundred thousand dollars, such increase to consist of two thousand five hundred shares of one hundred dollars each.

Dated at the office of the Secretary of State of Canada, this 14th day of May, 1915.

THOMAS MULVEY,
Under-Secretary of State.

B. Ram & Company, Incorporated.

"PUBLIC NOTICE" IS HEREBY GIVEN that Letters Patent have been issued under the provisions of the "Quebec Companies Act," by the Lieutenant-Governor of the Province of Quebec, incorporating M. M. Samuel-William Jacobs, King's Counsel; Alexander Rives Hall, King's Counsel; Gui Casimir Papiusseau, Counsel; advocate; Louis Fitch, advocate; and Harry Gough, accountant, all of the City and District of Montreal, and any others who are or shall become shareholders in the company, as a body politic and corporate, for the following purposes:

To carry on business as wholesale and retail grocers, provision and wine and spirit dealers, and jobbers, in all its various branches, according to the provisions of the Quebec License Act.

To act as commission merchants and agents for the sale of merchandise:

To buy, sell, manufacture and deal in all kinds and classes of goods, manufactured and unmanufactured, pertaining to the business of the company.

To acquire by purchase, either for money or in return for shares of its capital stock, or its securities, or by exchange, or other legal title, and to construct, operate and maintain all factories, buildings, warehouses or works of any kind, and all real estate necessary or useful for the carrying on of any of the purposes of the company, and to lease and dispose of same.

To acquire all or any part of the good will, rights, property, and assets, including an option, concession or the like, of any individual, firm, association, or incorporation, and to pay for the same wholly or in part in cash, or bonds, or in payment or in part payment of the company, and to accept payment for the same wholly or in part in cash, bonds, stocks, or other securities in any corporation or company.

To apply for, purchase, or otherwise acquire any patents, licenses, concessions, and the like conferring an exclusive, or non-exclusive, or limited, right to use, or any secret or other information as to any invention or process, and to turn to account, sell, lease or otherwise deal in such patents, licenses or concessions.

To acquire and hold, notwithstanding the provisions of the said Act, and to sell or otherwise dispose of the stock, shares, securities or undertaking of any other company, having for one of its objects the exercise of any of the powers of the company, or to transfer its undertaking or assets to or to amalgamate with any such company.

To enter into an arrangement for the sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on or intending to carry on any business which this company is authorized to carry on, or which is capable of being conducted so as to directly or indirectly benefit the company; for the purpose of the payment of promissory notes, bills of exchange, accounts, or other obligations of any kind whatsoever, of any other corporation, firm or individual, with whom the company may have business dealings.

The corporate name of the company to be B. RAM & COMPANY, INCORPORATED.

The chief place of business of the said Company to be at the City of Montreal, in the Province of Quebec.

The capital stock of the Company, divided into two hundred shares of one hundred dollars each, to be fixed at the sum of twenty thousand dollars, current money of Canada.

The following persons are named provisional directors of the Company, to wit: Samuel William Jacobs, Alexander Rives Hall, and Gui Casimir Papiusseau, Counsel.

Dated at the Government House of the Province of Quebec, in Quebec, this twenty-third day of June, in the year of Grace, one thousand nine hundred and fifteen.

PIERRE EVAIRISTE LEBLANC,
Lieutenant-Governor of the said Province of Quebec,
By Command,
C. J. SIMARD,
Assistant Provincial Secretary,
JACOBS, HALL, COUTURE & FITCH,
Solicitors for Applicants.