

but the Directors, anxious as they are to increase the business of the Company, are unwilling to hazard the attainment of that object, by reducing the rates below what they consider security to the insured demands, until they have a sufficient reserve fund to warrant the adoption of such a course. Application to Parliament for the powers recommended at the last annual meeting, have been made. The most liberal construction has recently been adopted in regard as to what constitutes the ordinary contents of buildings, which, taking into consideration that this Company pays the full amount of loss on the sum insured, gives its members advantages which they would enjoy in no other Company to such an extent.

Assets.—It will be observed that the cash assets are this year in excess of what they have hitherto been, and it may strike some of the members as being greater than the necessity of a Mutual Company demands. It must, however, be borne in mind that the Premium Note system is now abolished, and that the Company have hereafter solely to rely upon existing cash assets for the payment of all future losses on current business. Security to the members imperatively demands that the Directors should keep the important fact in view, that the cash on hand must hereafter supply the place of the assets, formerly represented by the Premium Notes.

The Directors in closing their Report again congratulate the members upon the continued progress of the Company, and they beg to assure them that their chief aim will be to promote its prosperity, and to maintain the popularity that it now enjoys. On behalf of the Directors,

THOS. STOCK, *Chairman.*

RICH. P. STREET, *Secy & Treas.*

Upon motion of W. A. Cooley, Esq., seconded by Archibald Stewart, Esq., the Report was adopted and ordered to be printed as usual.

Election of Directors.—William Burrell and Thomas Stock, Esquires, were re-elected to serve as Directors for three years; Robert Christie, Esq., M. P., was elected to fill the place of the late Jacob Binkley, to serve for three years; and John Walton, Esq., of Peterboro, for two years, in place of H. J. Lawry, Esq., who retires from the Board. The following named gentlemen were elected honorary Directors: P. M. Grover, Esq., M. P., of Peterboro; J. J. Robson, Esq., of West Durham; J. J. Fisher, Esq., of Northumberland; Joseph Staples, Esq., Warden, County of Victoria; Alex. McLaren, Esq., County of Peel; — Fisher, Esq., Reeve, County of Bruce, Jacob Young, Esq., County of Haldimand; David Thompson, Esq., M. P., of Haldimand.

Upon motion of J. D. Lafferty, seconded by John Weir, it was resolved, that the thanks of the meeting are due, and are hereby given to H. J. Lawry, late President of the Company, and now retiring from the Board, for the efficient services rendered, and the zeal shown by him in the interests of the Company during his long connection with it, extending over the whole period of the Company's existence. Votes of thanks were passed severally to the Chairman, the Directors, Secretary and Treasurer, and Agents; after which the meeting adjourned.

AUDITORS' REPORT.

HAMILTON, Feb. 15, 1868.

To the President and Directors of the
Canada West Farmer's Mutual and
Stock Insurance Co., Hamilton.

GENTLEMEN.—We, the Auditors, appointed to examine the books and accounts of your Secretary and Treasurer from the 24th November, 1866, till 31st December, 1867, beg to report the completion of our duties. We have carefully examined all the books and accounts of the Company for the above mentioned period, compared the vouchers with cash book entries, and bills on hand with bills receivable account and find all correct. Your Secretary has furnished us with the following statements, viz:—Receipts and disbursements, assets and liabilities, balances of Notes account, agency account and general balance, all of which we examined and found to agree with the books. We have to express our thanks to Mr. Street and other officers, for their attention in forwarding the duties of your Auditors, and by every information cheerfully afforded them relative to the business of the Company. Respectfully submitted,

(Signed) DAVID WRIGHT,)
 HUGH INNES,) *Auditors.*

RICHELIEU NAVIGATION COMPANY.—At the recent annual meeting of this Company, it was resolved to raise the capital fund to \$500,000, by allowing shareholders, holding three or more shares, the right to subscribe from this to the first of March next, *at par* to every three shares he actually holds, payable one-fifth on the months of March, May, July, September, and November, 1868. The stock thus subscribed, if regularly paid up at the date it falls due, will be entitled to full dividend on the earnings of 1868. The net profits on the year's business were \$54,000; a dividend of 7 per cent. has been declared for the past year.

Insurance.

NATIONAL BOARD OF FIRE UNDERWRITERS.—The second annual Convention of the Board was held in New York on the 19th. Sixty-five companies were represented. The annual report of the Executive Committee was read and accepted. The Committee on incendiarism reported that they had failed to gather any reliable information on the subject; they cited the case of one Company, 95 per cent. of whose losses had been caused by incendiarism and arson. A new form of policy now in use by most of the New York Companies was reported by a special Committee, and their report was accepted. The form prescribed by the Connecticut Legislature for use in that State was discussed, and Mr. Learned, of Norwich, stated that the Companies of Connecticut had agreed not to use it under any circumstances. Resolutions were passed declaring the tax of 1½ per cent. on the gross receipts of fire insurance companies, falling upon the losers, harsh beyond precedent, and requesting its abolition by Congress; that no losses over \$600 shall be paid within 60 days, without the consent of three-fourths of the companies holding policies on the property destroyed, and urging the passage of State laws to punish those who attempt to defraud insurance companies. The following officers were elected:—President, Jas. M. McLean of the Citizens' Insurance Company of New York; Vice President, L. J. Hardee, of the Aetna Insurance Company of Hartford; Treasurer, J. S. Parish, of the Atlantic Insurance Company of Providence; Secretary, W. Conner, Jr., of Yonkers and the New York Insurance Company of New York.

Life insurance has for some time been systematized by the preparation of tables of mortality, founded upon the death at ascertained ages of a great number of individuals. Moreover, our best life insurance companies employ skillful men as actuaries, whose duty it is to correct the possible errors in the tables of mortality, and by the collation of facts and constant watchfulness, to ascertain what is the lowest premium that can be safely charged for the insurance of any given life. Thus life insurance has become a science. But it is not yet so with fire insurance. The risks are more various, the number of facts upon which any theory of the value of risks ought to be founded, should therefore be greater than in life insurance; but, until recently, each fire insurance company has acted upon the results of its own experience, or upon guess work. The report before us remarks:—"The business of even our largest companies is scarcely large enough to furnish a safe and trustworthy average—in fact, until within a few years, fire insurance has not had even a general statement of results in the necessarily imperfect form of official reports."

It is one of the objects of the Board of Fire Underwriters "to gather in permanent form everything that can be of value in determining the actual cost of fire insurance;" and if it performs this duty thoroughly, it will confer a benefit upon the community. The present report contains one or two tables, and some statements of fact, which are interesting to the public and to all insurers. It assumes that, considering the risks involved, the capital of fire insurance companies may rightly expect an interest of twelve per cent. But it is found that an average of nine years, among the companies of New York State, yielded them less than nine and one-half per cent per annum.

Year.	Capital.	Dividends.	Per Ctg.
1859	820,007,000 00	82,851,722 74	14.25
1861	20,482,800 00	2,469,990 05	12.05
1861	20,282,800 00	2,111,788 76	10.41
1862	20,432,800 00	2,041,898 01	10.00
1863	23,632,800 00	2,024,742 51	8.56
1864	28,807,070 00	2,483,370 94	8.62
1865	31,557,190 00	2,621,283 30	8.30
1866	30,649,660 00	2,073,375 70	6.76
1867	28,561,232 00	2,416,354 94	8.46
	\$224,413,412 00	\$21,005,628 04	9.40

The amount of their capital actually "swallowed up" or destroyed by losses in the nine years was, it is said, more than one per cent of their profits; and it is asserted that "while the

amount of premiums in 1865 was nearly three times larger than in 1859, the losses of that year had increased to an amount nearly five times larger, and that the percentage of losses on net premiums had increased from 42.57 per cent., in 1859, to 71.38 per cent. in 1865. The "expenses" of the companies amounted to about 34 per cent. at the net cash premiums in 1865. The report remarks:

"The insured may find matter for grave consideration in the fact that, in 1859, \$719,809,620 at risk, had, for its protection, capital and assets to the amount of \$26,323,384, while at the end of 1865, \$2,153,595,507 had \$15,360,887. The percentage of protection in 1859 was 3.65 per cent., in 1865, 2.38 per cent., and at the end of 1866, 2.02 per cent., showing a decrease of 1.63 per cent. of protection to the insured—an alarming decrease when applied to a sum nearly as large as our national debt."

LIFE INSURANCE—HEIRS vs. EXECUTORS.—We are indebted to the *New England Insurance Gazette* for the following decision made by the Supreme Court in St. Louis. The action was brought by Eliza Loos, through her guardian, against the Jno. Hancock Life Insurance Company, on a policy of insurance. The Court in giving judgment said:—"It seems from the petition that Louis Loos had his life insured in the office of the defendant, by a policy dated April 4, 1866, in the sum of five thousand dollars, for the term of fifteen years. It was provided by the policy that the sum insured should be payable to said Loos, if he should be living at the expiration of the said term of fifteen years, or, in case of his prior decease, "to his heirs or representatives." Loos died Sept. 16th, 1866, and his daughter Eliza brings this suit, as sole heir, to recover the amount of the policy. A demurrer was filed and sustained to the petition, because the plaintiff had no right to sue. Whether the action accrued to the plaintiff, or should properly have been brought by the executor or administrator of Loos must depend upon the meaning to be affixed to the word "representatives." Legal representatives and personal representatives, in the general or professional sense mean, simply executors or administrators. Although this is the primary legal meaning, they are often construed differently, if it is clear that the intention was to vest the estate in a different class of persons. That they mean executors and administrators will ordinarily be taken as true, where nothing is shown to raise a counter presumption, but the meaning is not so inflexibly attached to prevail in all cases when it is manifest another disposition was intended. The intention must control, and that intention is to be gathered by a view of the context subject matter, and the purpose to be attained. The words have, therefore, been held to mean next of kin when the circumstances of the case made it apparent that such a construction would effectuate the object had in view. The language used by the assured would seem to indicate that it was his intention in case of his untimely decease to make provision for the surviving members of his family, and not that the money arising from the policy should go to his executors or administrators to be administered on as ordinary assets. Policies for a term of life assurance of this description are of frequent occurrence, and where it is meant that the money resulting from the policy shall descend and be used as common assets, the invariable language is "to pay the said assured, his executors, administrators or assigns." The changing of the language and using terms of different expression, clearly import that the money was intended for the benefit of his heirs or next of kin, and that it was not to be administered on as assets by the executor or administrator. The plaintiff is the only child and sole heir, and she is entitled to the money; the word representatives used in the policy in conjunction with heir cannot divest her title or divert her money to another source.

INSURANCE BROKERAGE.—In a case of Mack vs. the American Exchange Fire Insurance Co. it appeared that on or about July 13th, 1867, the plaintiffs applied to the defendants, through I. F. Dobson & Co., insurance brokers, for insurance on goods in plaintiff's store, and defendants consented to insure to the extent of