

They had had a very severe winter to contend with, a great variety of temperature, and the usual consequences of it; but if they had been thus affected this year, it was no reason why the death-rate should exceed the usual average for the future. He thought it would be better, and that it would be doing greater justice to Mr. Brown, to have his own report read. That would tell them more clearly than he could the view he (Mr. Brown) took of the Company, and it was a view he felt satisfied they might safely rely upon.

The report having been read,

The Chairman said that it was so full and so clear that he should only injure it by attempting any addition to it. He should, therefore, leave it to speak for itself, feeling sure it was sufficiently eloquent to do that. He would conclude by moving that the report be received and adopted. (Hear, hear.)

Mr. Mackenzie said that under ordinary circumstances he should have been contented with simply seconding the report, because the shareholders had had before them copies of the accounts, the balance sheet and the report, which contained every information which was required as to their position, but, inasmuch as during the past twelve months there had been a perfect panic in the Life Assurance world, he thought it fair, not only to the shareholders and to those who were deeply interested—namely, the policy-holders, but to the directors also, to enter into a full explanation of their affairs. (Hear, hear.) He might commence by stating that under the deed of settlement ten years would have elapsed before the full inquiry would be made, so as to ascertain what bonus could be paid; but considering the panic which had prevailed, and the immense amount of distrust of Life Assurance companies which was manifested by a great portion of the population, the directors felt it their duty to the shareholders, to the policy-holders, and to all concerned in the conduct of their affairs, that their position should be at once ascertained, and that the remaining three years should not be allowed to elapse before that step was taken; the great object they had in view being, of course, to satisfy the public that they would be perfectly safe in insuring their lives in the London and Lancashire. (Hear, hear.) They knew that in order to get at their correct position, they must not simply take the assets in hand, and the liabilities, but the liabilities on all existing policies of the company; and as against those liabilities they had also premiums, &c., to be paid on existing policies. Well, all these had been taken into consideration, and, with the assumption that they only made 3 per cent. for the money they invested, they were on a safe basis. At the present time, no doubt a much higher rate of interest would be obtained. (Hear, hear.) They had also to take into consideration the premiums they had to pay, and other expenses, which were designated "loading." The question raised, with regard to the Albert and European, in Chancery, was, whether they were right in allowing credit to be taken for "loading," and Vice-Chancellor James decided that, in his opinion, they were justified in doing it, discharged the petition, and declared the company solvent. No less than £72,669 represented the value, and was deducted for their loading, and they would at once see that having applied this second test, and come favourably out of it, they were proved to be not only in a safe position, but a very prosperous one. (Hear, hear.) As to the rate of mortality that would naturally vary from year to year. This year they had had a severe test again by the mortality being above the average. They had also taken a further step to satisfy every one. They had not hitherto published their balance-sheet, but looking at the suspicion which existed they determined to publish it this year. It was before them; it had been very carefully tested, examined and enquired into by the auditors, who had certified as to its accuracy. They probably knew that Mr. Cave, the President of the Board of Trade, under the late Govern-

ment had introduced a bill into the House, of a severe nature, with the view of forcing Life Assurance Companies to take the very steps they had done in order that the fullest information might be given to the policy holders. Up to the present time they had not had the least right to look into the affairs of a proprietary Company. He was one of those who thought that they should have that right, and was glad that the proposed Bill would give it to them. When a Company was carrying on a legitimate and proper business, there was nothing to fear from publicity; and, he was glad to say, they looked quite as much to the interest of the policy-holders as the shareholders. They had no objection to the bill passing, and were quite ready to comply with its provisions, and give every support to it they could (hear). He could safely and confidently state that the Society had been prosperous, was prosperous now, and, with the kind assistance of the shareholders, the policyholders, and their friends, would continue to be prosperous from year to year (hear). They would rather have a small safe business conducted upon economical principles than a large risky business (hear, hear), as it was not always those who represented their liabilities at nine or ten millions, and their annual revenue at £400,000 or £500,000, which were the safest. Considering the great stagnation which had taken place in business, he thought the number of new premiums was highly satisfactory, amounting to within about £40 to what they generally were. He hoped these explanations would be satisfactory.

The motion was put, and carried unanimously. The retiring Directors and Auditors were re-appointed.

The Chairman then said that there was some special resolutions which the meeting would be asked to approve of, and he would move the first, which was as follows:—"That clause 37 of the Deed of Settlement be varied, and read as under, viz.: 'The number of Directors of the Company shall, for the present, be eight, and shall not at any time, be less than five nor more than twelve; and that clause 45 of the same deed be amended by reading 'five' for 'eight;' and that clause 50 of the same deed be expunged from, and is henceforth to be considered as forming no part of, the Deed of Settlement.'"

"That Clause 70 of the Deed of Settlement be amended by the omission from the same clause of so much thereof as renders it obligatory on the Board of Directors to appoint certain Directors thereof a Committee to superintend and carry on the Company's Liverpool and Lancashire business."

"That in addition to the investments of the company's funds, authorized by the 140th clause of the Deed of Settlement, the directors be empowered to invest the same, or any part thereof, in the debenture stock of any railway or other public company in Great Britain or Ireland; and in the bonds or other securities of the Government of any colony or dependency of the United Kingdom, or the Government of British India, or in any stock of any railway company guaranteed by such last-mentioned Government; and that clause 140 be read, so as to give effect to this provision."

These resolutions were seconded and adopted unanimously.

The usual vote of thanks to the directors having been adopted, the chairman briefly acknowledged the vote, and the proceedings terminated.

Railways.

GREAT WESTERN RAILWAY.—Traffic for week ending May 6th, 1870.

Passengers	29,618 42
Freight and Live Stock	54,625 03
Mails and Sundries	2,027 90

Total Receipts for week	\$86,271 35
Corresponding week, 1868	77,857 78

Increase

MONTREAL AND CHAMPLAIN RAILWAY.

The following is the report of the Directors for the year ended 31st December, 1869. The accounts for the year 1869, which are appended to this report, show that the proportion of net revenue due to this Company, under the agreement with the Grand Trunk Company has amounted to the sum of \$105,555.25; the amount accruing under the lease, for the year 1868, was \$90,663.56, showing an improvement during the year 1869 of \$14,891.69, equal to 16.42 per cent. The amount earned in 1869 is more than sufficient to pay the interest on the Company's bonds, and the dividend on the preferred stock, interest on the sinking fund, and incidental expenses, and it will be seen that the debit against the revenue account is reduced from \$24,993.69 to \$14,513.49. The Joint Committee report their approval of the accounts, and the belief that the line, works and plant have been fully maintained. The Grand Trunk Company has erected additional buildings at Bonaventure street during the year, for the accommodation of the increasing traffic, and your Directors look forward to increased returns from the additions now being made to the rolling stock on the joint system. The amount now standing at the credit of the sinking fund is \$30,254.38.

Signed, JAMES FERRIER, President.

No. 1.—Capital Account, at December 31st, 1869.

Dr.	
Railway Property	\$2,384,376 19
Fuel and Stores, Stock	33,141 22
Balance of Capital account	200 92
	\$2,417,688 33
Cr.	
Consolidated Stock	\$1,130,275 00
Preferred Stock	404,600 00
First Mortgage Bonds	80,300 00
Consolidated Loan	\$882,813 33
Less ditto, in hand, for the retirement of 1st Mortgage Bonds	80,300 00
	802,513 33
	\$2,417,688 33

No. 2.—Revenue Account, 1869.

Dr.	
Balance at Debit of Revenue Account December 31, 1868	\$24,993 69
Interest Account	1,610 57
Incidental Expenses	717 57
Interest on Bonds	50,547 40
Preferred Stock Dividends	40,460 00
Interest on Sinking Fund	1,712 51
	\$120,068 74
Cr.	
Lease Account	\$105,555 25
Balance at Debit of Revenue	14,513 49
	\$120,068 74

No. 3.—General Balances, at Dec. 31st, 1868.

Dr.	
To Balance at Debit Revenue	\$14,513 49
Assets.	
To Consolidated Bonds, available	\$39,906 68
" George Irving	500 00
" Glyn, Mills, Currie & Co.	18,842 76
" Grand Trunk Railway	7,634 93
	\$81,397 86

Cr.	
By Balance of Capital Account	\$200 92
Liabilities.	
By Cash (over draft)	1,540 60
" Preferred Stock Dividends unpaid ..	10,115 00
" Interest on Bonds	24,879 91
" Preferred Stock Sinking Fund	30,254 38
" Bills payable	10,000 00
" Higney & Rutherford	3,307 05
" Helen Guy	1,100 00
	\$81,397 86