

indications have been given at preceding conventions of American bankers being fully alive to the inconveniences, losses and dangers incident to their cast iron system of currency, and they have spoken in no uncertain way previously in regard to the silver question, as to the perils of which they have been long painfully made sensible. We offer then our congratulations to the American bankers upon the great success of their Convention, upon the valuable character of the papers it elicited, but chiefly upon the decided stand taken in favor of a more elastic currency, based upon the same principles, as to extent, and redemption, and security as the note issues of Canada.

#### THE NEW CHARTER OF THE NEW YORK LIFE.

For some reason, little publicity has been given to the fact that the New York Life Insurance Company, in July of last year, availed itself of the provisions of the New York State corporation law, as revised in 1892, and amended in 1893, to adopt a new charter and by-laws. It is chiefly through the enterprise of the *Chicago Independent*, of recent issue, that the public has been enabled to see the full text of the charter and by-laws, together with the provisions of the revised corporation law of 1892 applying to the government of the company's affairs, with the framing of which it is said President McCall had not a little to do. It will be of interest to the many patrons and friends of the company and to the general public to present at this time the salient features of the new charter and by-laws.

In the first place, it will be remembered that the corporate existence of the New York Life was derived from the original charter granted to the Nautilus Insurance Company in 1841, at first mainly a marine insurance company, but by sundry changes and amendments afterwards adapted to the use of the New York Life, as it has for many years been conducted. As the original charter is generally understood to have expired by limitation some twenty years ago, there has been some confusion in the public mind as to the details of the authority under which the company has conducted its business. At all events, the wisdom of the managers is to be commended for securing an entirely new instrument of authority with explicit provisions adapted to and ample for the transaction of its business for all time to come. There is very little that is vague in the charter or by-laws, and however people may differ with regard to the scope and nature of the provisions adopted, they have the merit of being easily understood.

The charter recites that "the business of the company shall be insurance on lives and all and every insurance pertaining to life, and receiving and executing trusts and making endowments, and granting, purchasing and disposing of annuities," as authorized by subdivision one of section seventy of the Insurance Law of the State. The importance of the provision for "receiving and executing trusts" will appear when it is remembered that the company, in common with several

other companies, issues policies providing for payments to the beneficiaries on the instalment plan. In the absence of some explicit provision authorizing a company to act as trustee for the beneficiary, the question has been raised as to whether such beneficiary may not dispose of and assign to a third party all right to and interest in future instalments, thus defeating the aim of the assured to provide beyond contingency by annual instalments for the future of his dependents. Possibly a court of equity might decide that the intention of the assured to constitute in effect a company its trustee should govern, even though no explicit charter authority should exist authorizing the company to act as such. It must certainly be regarded as a good thing, however, to have the authority of the company defined in its organic law.

The corporate powers of the company are committed to a board of twenty-four trustees, a majority of whom are to be residents of the State of New York, six of the board to be elected annually in April (second Wednesday) of each year. There is no requirement that the members of the board shall be policyholders. The president of the company, who is *ex officio* a member of the board of trustees, is elected annually by this board, together with such other officers as may be prescribed by the by-laws. The officers provided for under the present by-laws are, in addition to the president, a first, second and third vice-president, an actuary, a secretary and a comptroller. The duties of these officials are defined, subject in every case, however, "to the direction of the president," who is given, under the by-laws, remarkably comprehensive powers. He appoints all standing committees (the members of these committees being in all cases members of the board of trustees) as follows:—a finance committee of seven; an executive committee of three; an agency committee of four; a loss committee of six; and an auditing committee of five, the president being, *ex officio*, a member of each committee. The president is authorized to have "general supervision and direction of the business of the company," to transfer stocks, satisfy mortgages, make and call in investments, and execute all deeds and papers requiring the seal of the company, with the consent of the finance committee. He is also empowered, with the consent of the agency committee, to fix the compensation of agents. The compensation of the officers elected annually by the board of trustees is fixed, not by that board, but by the finance committee, while the compensation of all other employees of the company (agents excepted) is to be fixed by the president and vice-president, who also control their appointment and removal at will. A trustee may become a salaried employee of the company by special permission of the finance committee.

Primarily, the appointment and supervision of agents devolves upon the third vice-president, but his appointments are subject to the approval of the president who, as above stated, fixes their compensation. The actuary, "subject to the direction of the president," has charge "of the mathematical department