

spective duties contributes not a little to its success.

The report was adopted, and the usual resolutions were moved and carried unanimously.

The scrutineers reported the unanimous re-election of the retiring directors, and at a subsequent meeting of the board J. L. Blaikie, Esq., was re-elected president and John Macdonald, Esq., vice-president for the ensuing year.

#### NORTH AMERICAN LIFE ASSURANCE CO.

The Annual Meeting of this Company was held at the Company's Head Office, Toronto, on the 19th inst. The President occupied the chair. The meeting was a very large and influential one. The Annual Report, Revenue Account, and Balance Sheet were read, as follows:—

In presenting the report of the business of the company for the year ending December 31st, 1884, and of its present financial standing, the Directors of the North American Life Assurance Company are again enabled to congratulate the members of the institution upon its continued success and prosperity.

During the year, applications for \$2,037,550 have been received, upon which were issued 931 policies for \$1,905,800 and 6 policies were revived for \$22,500, making a total of 937 policies for \$1,998,300, being an increase of 37½ per cent. upon the business of the previous year. This large increase in the Company's business is specially gratifying, and speaks volumes for the popularity of the Company with the insuring public.

A very large addition has been made in every department, tending to increase the prosperity and high standing the company had already attained. Out of the revenue for the year, the large sum of \$84,688.35, or 54½ per cent has been added to the assets to increase the reserve and surplus. The Premium and Interest incomes have very largely increased, a noticeable feature in the latter being that it more than exceeded the death losses of the year.

From the outset, the directors have recognized the importance of building up the Company on a solid foundation. This can be done only by holding a large and increasing reserve fund and surplus, so that when policies mature by death, endowment or termination of tontine period they will be enabled to fully meet the contracts held by policy-holders. A reference to the revenue account and balance sheet will fully demonstrate how very successful the Company has been in this respect.

The large amount held in reserve by the Company added to its Guarantee Fund, held by prominent gentlemen in all the older Provinces of the Dominion, furnishes a security to its policy-holders unsurpassed in this country.

The very large number of Semi-Tontine Policies issued during the past year is evidence that this plan is specially acceptable to insurers, combining as it does the privilege of the paid-up surrender value given to the holders of ordinary policies, with all the options given to holders of its favorite Tontine Investment Policies.

No extra charge is made by this Company on the premiums on its Tontine or Semi-Tontine Policies, but the premiums are the same as on its like ordinary policies.

It is very gratifying to notice the great progress being made by our Home Companies. The Government reports show that the life insurance business of Canada is being very largely done by these companies. By the success of such home institutions the money which would otherwise have gone abroad is retained in Canada and thus used in building up and extending Canadian interests. The Directors consider this an important element tending to increase the prosperity of Canada and one that intending insurers should carefully consider when contemplating insuring.

The Government reports also show that the entire and rapidly increasing resources of our Home Companies are invested in this country. On the other hand, of the reserve of \$7,200,756.45 required for the security of Canadian policy holders only \$1,708,051.18 is held by the United States companies in this country, and of this only \$88,051.11 is in Canadian securities. It is manifest also that the advantages and convenience to policy holders are largely in favor of dealing with well managed Home Companies.

Without disparaging any of our home competitors, it is interesting to notice that this Company has secured a much larger amount of income, new insurances, and business in force, and more especially laid by a much larger sum in reserve than any of them accomplished during the corresponding period of their history.

This result is largely due to the efforts of the Directors to place the great advantages which life insurance affords within the means of the largest number of persons possible. Whilst recognizing the importance of keeping within the lines of safety, the Directors have from time to time endeavored to make their policy contract a very liberal one. Objectionable and technical clauses to be found in many policies have been omitted. The policy is also made indisputable after being three years in force. It is also made payable immediately after satisfactory proof of claim has been furnished, instead of compelling the beneficiary to wait 60 or 90 days for payment.

The Directors recommend that a dividend at the rate of 8 per cent. per annum to June 30th next, payable on July 2nd, be paid to the Guarantors as interest for the use of the Guarantee Fund, paid in cash by them. Of the dividend over six per cent. has been earned by the Guarantee Fund, which with the profits from non-participating policies, gives the policy-holders the benefit of the security of that Fund at a trifling cost.

The efficient services of the Inspectors, Agents, Medical and Office staff again deserve special recognition.

In resigning the trust confided to them the Directors have every confidence that the same prudence and watchfulness which have placed the Company in its present satisfactory position, will be maintained and perpetuated in the future.

The Directors all retire, but are eligible for re-election.

ALEXANDER MACKENZIE,

President.

Toronto, Jan. 19th, 1885.

Rev nue Account, year ending Dec. 31, 1884.

Dr.

|          |   |              |
|----------|---|--------------|
| 1883.    |   |              |
| Dec. 31. | To balance .....                              | \$192,486 69 |
| 1884.    |   |              |
| Dec. 31. | " Premiums and annu-<br>ity considerations .. | 142,986 57   |
| "        | " Interest .....                              | 12,342 59    |
| "        | " Amount paid in ad-<br>vance .....           | 117 78       |
|          |   | \$347,933 63 |

Cr.

|          |   |              |
|----------|---|--------------|
| 1884.    |   |              |
| Dec. 31. | By expenses .....   | \$ 22,068 31 |
| "        | " Commissions and sal-<br>aries to agents ....  | 20,521 63    |
| "        | " Re-insurances .....   | 9,532 73     |
| "        | " Claims paid under<br>policies .....   | 8,991 01     |
| "        | " Surrendered policies ..   | 1,054 83     |
| "        | " Annuities .....   | 212 00       |
| "        | " Interest on Guar-<br>antee Fund at 8 per<br>cent. from dates of<br>cash payments by<br>guarantors ..... | 8,260 30     |
| "        | " Balance as in 2nd<br>schedule .....   | 277,292 82   |
|          |   | \$347,933 63 |

#### BALANCE SHEET.

|          |  |              |
|----------|--|--------------|
| 1884.    |  |              |
| Dec. 31. | LIABILITIES.   |              |
|          | To Guarantee Fund....  | \$60,000 00  |
| "        | " Assur'ee<br>and an-<br>nuity<br>funds.. \$200,000 00   |              |
|          | Less for<br>re-ins's<br>and re-<br>insur'e<br>policy   | 20,150 00    |
|          |  | 179,850 00   |
|          |  | \$239,850 00 |
| "        | " Contingent fund to<br>provide for the col-<br>lection of outstand-<br>ing and deferred<br>premiums, and other<br>charges accruing on<br>year's business .... | 7,500 00     |
| "        | " Amount paid in ad-<br>vance .....  | 117 78       |
| "        | " Surplus .....  | 29,825 04    |
|          |  | \$277,292 82 |

|          |   |        |
|----------|---|--------|
| 1884.    |   |        |
| Dec. 31. | ASSETS.   |        |
|          | By Dom Gov't de-<br>posit debent-<br>ures ..... | 48,400 |

|   |  |           |
|---|--|-----------|
| " | " Do. do. cash 6,440   | 54,840 00 |
| " | " First mortgages on<br>real estate .....  | 78,950 00 |
| " | " Loans on stocks,<br>nearly all on call..   | 46,640 00 |
| " | " Reversions .....   | 7,500 47  |
| " | " Preliminary expenses<br>(balance) .....  | 1,000 00  |
| " | " Furniture .....  | 915 00    |
| " | " Short date notes for<br>premiums .....   | 25,671 08 |
| " | " Premiums on existing<br>policies in agents'<br>hands and in due<br>course of transmis-<br>sion ..... | 10,130 86 |
| " | " Premiums on existing<br>policies due subse-<br>quent to Dec. 31st,<br>1884 .....                     | 12,932 23 |
|   | (Reserve on this and<br>preceding items in-<br>cluded in liabilities)                                  |           |
| " | " Loans on policies..  | 306 75    |
| " | " Special deposit .....  | 875 00    |
| " | " Commuted commis-<br>sions .....  | 7,500 00  |
| " | " Interest due, \$14.60;<br>accrued, \$3,462.22  | 3,476 82  |
| " | " Agents' balances ....  | 324 71    |
| " | " Cash in head and<br>branch offices ....  | 3,406 94  |
| " | " Cash in banks .....  | 22 822 96 |

\$277,292 82

WILLIAM McCABE,  
Managing Director and Actuary.

We have examined the books, documents and vouchers representing the foregoing revenue account, and also each of the securities for the property in the above balance sheet, and certify to their correctness.  
Jan. 2, 1885.

JAMES CARLYLE, M.D., }  
W. G. CASSELS, } Auditors.

We concur in the foregoing certificate and have personally made an independent examination of said books, and also of each of the securities representing said property.

E. A. MEREDITH, LL.D., }  
WM. GORDON, } Auditing Committee  
of the Board.

The Hon. Alex. Mackenzie, M. P., president, in moving their adoption said:—

"Nothing could be more satisfactory than the Company's last year's business. This is largely due to the strong and influential names of those who are guarantors, to its energetic and careful management, to the zealous work of its agents and to the popular plans of the Company.

In proportion to our business, this Company's security to policy-holders is more than equal to that of the best of the older companies and we consider it as absolutely good as that of any of them.

Recently a class of co-operative societies has sprung up in which we have no confidence ourselves, and in which the public should have little confidence, for no cheapness can make up for the false principles upon which these associations are generally founded and conducted.

From time to time our agents have complained of the unfair comparisons made by some of the older companies as to the ratio of expenses to income. As the income of life companies includes both premiums and interest, I need not tell you that the comparisons so made are most fallacious and misleading. Prof. Cherriman, the Superintendent of Insurance, has repeatedly stated that "such percentages ought not to be taken as a proper gauge of the economy of management of a company," and although he has omitted such ratios from his recent reports, still these unfair statements are continued. Manifestly the expense of collecting interest and investing the funds of a life company, bears a very small proportion to securing new business and collecting premiums. We have investigated the cost of new business, which is, after all, one of the best tests of the economy of a company, and believe that ours is as economically conducted in that respect as any of our competitors.

I am sure it will be of great interest to all of you to learn the splendid progress our Company has made. When compared with the most progressive of our home companies, at the end of their fourth year, I find that in assets, premium income, volume of new insurances, amount at risk, and reserve held, we largely exceed any of them.

Our position at the end of the fourth year is