

take an account of such claims upon the said deposit as may be authenticated and proved before him by the creditors of the said company, or any of them, and tax the costs of proving such claims, and that the Master do report and certify the same."

In compliance with the advertisement which called for the proof of claims, creditors, other than policy holders, have come forward, contending that they are entitled to a share of the deposit. Their right to come in under the statute has been called in question, and it is contended, that the deposit was for the security of policy holders solely. As we understand it, the deposit was declared forfeit to the Crown, for breach of certain conditions of 23 Vic., c. 33, and thereafter transferred, as an act of grace, to the Court of Chancery for distribution. Whether or not the forfeiture takes the case out of the strict letter of the statute is a question for argument. However, the Court of Chancery has declared the company insolvent, under section 4, which provides that a company shall be deemed insolvent upon failure to pay undisputed losses for ninety days after judgment, and the distribution of the deposit may be made by order in Chancery, and be applied *pro rata* towards the payment of "all claims" duly authenticated against such company, alike as to losses and premiums on risks unexpired, or on policies issued in this Province. Section 7 provides, that "on any judgment" recovered against a company, execution may be levied upon the deposit. The Act does not declare the deposit to be for the security of policy holders, though 31 Vic., c. 48, the new Insurance Act does speak of "the security of policy holders resident in Canada." The statute 23 Vic., c. 33, under which the distribution is now being made, was repealed by 31 Vic., c. 48, sec. 24. This fact may afford an additional point for contention.

There is another feature to which we would call the attention of those interested in the proper and equitable distribution of the Etna's deposit. On the 29th October, 1868, an agreement was entered into between the Etna and the United Ports, for the sale to the latter of the Etna's business; and at a meeting subsequently held, the sale and the transfer of the business, liabilities and assets was confirmed. (See MONETARY TIMES, vol. ii. p. 309). The result of this meeting was advertised in Canada by the General Agent of the Etna. He stated, "the business of the Etna will hereafter be carried on by the latter company (the United Ports), which assumes and guarantees all the risks and liabilities of the Etna." If we remember aright, all the Canadian policy holders were notified by circular of the fact, and received some sort of informal guarantee. Now the

policy holders who claim for losses subsequent to the agreement referred to, may have resort to the assets of the Etna and the assets of the United Ports also. There may be other claimants who have not two strings to their bow. If so, the question may arise, whether those having a right to prove against two funds should not be compelled, in accordance with the principle on which the marshalling of securities is based, to give way to those who have but the deposit to look to for payment of their claims. In this connection, it will be necessary to remember, that the United Ports Company has amalgamated with the English Assurance Company.

When the Etna went into voluntary liquidation, it was stated that its balance-sheet showed that the assets amounted to £129,695, while, if the sum representing the debts were deducted, there would be a balance of £39,000.

MUTUAL BENEFIT COMPANY.

Such is the name of a concern hailing from Hartford, Connecticut, which we understand has made its appearance in Canada. If report speaks truly, it has succeeded in duping some of our citizens and residents of other parts of the Province, who are evidently unacquainted with its true character.

Owing to the stringency of the insurance laws, in some of the neighboring States, it has been compelled to avoid them, and limit its operations to those States which do not enquire too closely into the standing of insurance corporations. For this reason, no doubt, Canada was considered an eligible field.

Referring to this company, the New York *Insurance Times*, for August, 1869, says:—"This cooperative humbug, with a 'guarantee capital' of \$200,000, was chartered by the last Legislature of Connecticut. We suppose that the meaning of the words 'guarantee capital' is that, the directors are guaranteed to make \$200,000 capital out of the affair. The fee for membership is \$9, and the members are divided into classes of 5,000 each. In other respects it is simply a copy of the Manhattan co-operative swindle of this city, which burst up not long since."

While it is true that life insurance companies, organized on scientific principles and properly conducted, are the safest monetary institutions in the world, it is also true that any departure from scientific principles is fraught with ruin, and must inevitably result disastrously to all concerned, except, perhaps, the promoters, who usually have an eye to business, and succeed in shifting the responsibility to other shoulders before the bubble explodes. The history of life insurance in England abundantly proves that all concerns of this kind have been failures; and

in the United States so satisfied are the Insurance Commissioners of the various States of their dangerous character, that they, in most instances, peremptorily refuse to allow them to do any business within their jurisdiction. A little investigation of their system of doing business on the part of any business man, will show clearly that their assumptions are totally false and unrealizable, and that the concern is entirely unworthy of the confidence of the public.

This "benefit company" has not yet complied with our laws in the matter of deposit (indeed, it is questionable if it could do so). It is, therefore, a matter for the proper authorities to see that the deposit law in this, as in any other case, is not violated without incurring its penalties.

WHILE the Toronto Narrow-gauge Railway Companies are indebted to Mr. Laidlaw, for services rendered in connection with the development of their projects, the Wellington, Grey and Bruce Company are no less indebted to Mr. Thos. White, for his services in their behalf. The ability, energy and perseverance displayed by Mr. White, in the many conflicts between the representatives of the rival companies, entitle him to the highest place in the regard of such as value the Wellington Company. Without him, Hamilton delegations would have fared much worse than they did. His able pen was in constant requisition, and his eloquent tongue wagged incessantly, and (judging from results) efficaciously. If the Wellington Company do not fittingly recognize the value of Mr. White's efforts, the neglect will be little to their credit.

In another column we publish the statement of the London and Lancashire Life Insurance Company for the year ended 31st Dec., 1868, as returned to the Government. The nature of the assets are given in detail. The company, during the year, received policies to the amount of a million and a quarter of dollars. This rate of progress has, we are informed, been exceeded by the business of the current year. A statement of the company's position elsewhere will be read with interest.

It will be of interest to intending assurers to notice the announcement of the Standard Life Assurance Company, respecting the coming division of profits. The accumulated assets of the Standard foot up to \$20,000,000 all of which is invested as set forth in the statement. A reference to our stock list shows the shares to stand at a very high premium; and without doubt the Company enjoys the entire confidence of the British public. It presents as much of the essential