

of the association. Mr. Eldridge charges that about every statement made by The Commercial is false. We have carefully revised the figures and find that they were correctly stated in our previous article. The association claims that the statement of assets for 1898 was made up on a different basis from previous years, and that this explains the reason of the large shrinkage in assets. The Commercial clearly explained in the article complained of, that the assets of the association, as given for 1897, had been largely reduced by the insurance commissioner for the state of New York. If the figures as to assets were padded in the statement for 1897, that is not our fault. We simply took them as they were given to the public by the association. Even taking reported net assets for 1897 a large loss can still be shown.

The figures given in The Commercial as showing the liabilities of the association, Mr. Eldridge characterizes as misstatement No. 2. He says "The association has not reported that its liabilities at the close of 1897 amounted to \$1,644,988." To use Mr. Eldridge's own expression, we might say that this "is an unqualified falsehood." The readers of The Commercial, however, have not been educated up to an appreciation of this style of argument, and we will refrain from imitating some of his offensive remarks. We will simply state that on page 517 of the Dominion government insurance blue book for 1897 the liabilities of the association at the end of 1897 are stated to be \$1,644,988. Possibly the association may have such a variety of financial exhibits that Mr. Eldridge has overlooked this important one. Seriously, when he blankly denies a statement like this what estimate can we place upon his other declarations as to the reason for the decrease in business and the voluntary reduction of assets, or his denial that the death-loss pro rata is increasing.

We will not follow Mr. Eldridge's denial any further at present, as the main points are based on the first two statements as to assets and liabilities but will reserve further comment for the future as occasion may arise.

INSURANCE NOTES.

The Hartford Fire Insurance Company were interested to the extent of \$1,000 in a fire at Ravid City last week, whereby the premises of G. L. Stone were destroyed.

The town of Souris, Manitoba, is moving in the direction of better fire protection. A. J. Hughes, a prominent lumberman there, was in Winnipeg last week looking for information as to suitable apparatus.

NOTICE

Is hereby given that application will be made to the parliament of Canada at the next session thereof for an act to incorporate a company for the purpose of the promoting and stimulating of trade between the merchant and the consumer or dealer with him, for the perfecting of plans and systems for such purposes, the procuring of copyrights thereof, of buying and selling the same, and of doing a general advertising and canvassing business and other business as is necessary or convenient for the attainment of the said objects.

McNEIL, McNEIL & TERNAN,

Solicitors for the Applicants.

Dated Halifax, N. S.,
Feb. 22nd, 1899.

The Federal Life Assurance Company

SEVENTEENTH ANNUAL STATEMENT.

DIRECTORS' REPORT.

The 17th annual meeting of the shareholders of the Federal Life Assurance Co. of Canada was held at the Head Office, Hamilton, Ont., on the 7th inst. In the absence of the President, Mr. Beatty, Mr. William Kerns, First Vice-President, occupied the chair, and Mr. David Dexter acted as Secretary. The following report and financial statement was submitted by the Directors:

The Directors have pleasure in submitting, for the information and approval of the shareholders, the following report of the business of the Company, together with a statement of Receipts and Disbursements for the year, which closed on 31st December, 1898, and of the Assets and Liabilities on that date.

New business consisted of fourteen hundred and fifty-nine applications for insurance, aggregating \$2,248,850, of which thirteen hundred and eighty-one applications, for \$2,114,232 were accepted, applications for \$134,600 having been rejected or held for further information.

Annuity premiums to the amount of \$12,731.50 were also received.

In the past year, as in the preceding year, fully ninety per cent, of the new business written by this Company was on its investment plans. This, and the fact that the advent of three additional and well-equipped competitors in the field within the past two years, has not diminished the share of new business which this Company has been able to secure, indicates the continued growth of feeling in favor of investment insurance, rather than towards other forms of investment on which interest earnings are depreciating steadily.

The income of the Company shows a gratifying increase over previous years, and the addition of \$143,835.14 to the assets is especially noticeable, the total assets having risen to \$866,283.41, exclusive of guarantee capital.

The security of the policy-holders, including guarantee capital amounted to \$1,475,283.41, and the liabilities for reserves and all outstanding claims, \$757,399.20—showing a surplus of \$717,884.21. Exclusive of un-called guarantee capital, the surplus to policy-holders was \$108,534.21.

Assurances for \$114,575 on fifty-seven lives became claims through death of which amount the Company was re-insured for \$7,000. Including cash dividends and dividends applied to the reduction of premiums (\$30,878.32), with matured endowments for \$4,600, the total payments to policy-holders amounted to \$143,702.25.

In accordance with instructions received from the shareholders at the last annual meeting, your Directors applied for and obtained from the Parliament of Canada a special act of incorporation, changing the name of the Company to The Federal Life Assurance Company of Canada, and granting enlarged powers for business and investment in and out of Canada.

The investments of the Company have been carefully looked after, and have yielded for years past the best results reported by any company doing business in this country. Expenses have been kept within reasonable limits, while due effort is being made for new business. The chief officers and agents of the Company are entitled to much credit for their able representation of the Company's interest. The office staff have also proved faithful in the Company's service.

The accompanying certificate from the Auditors vouches for the correctness of the statements submitted herewith, all accounts, securities and vouchers having been examined by them.

FINANCIAL STATEMENT.

—INCOME—

Premiums, interest and rents \$ 410,631.73

—DISBURSEMENTS—

Paid policy-holders for death claims endowments, dividends, etc. 143,702.25
General expenses, re-insurance and dividends on capital ... 127,518.09

—ASSETS—

Debentures, mortgages, policy loans, real estate, cash and other securities \$866,283.41
Guarantee capital 609,000.00
Total resources for security of policy holders 1,475,283.41

—LIABILITIES—

Reserve fund 757,399.20
Surplus to policy-holders 717,884.21
Insurance written and taken during the year 2,021,585.00
Amount assured 11,125,566.43

JAMES H. BEATTY,
President,

DAVID DEXTER,
Managing Director.