

There has been added during the year to the Company's Assets, investments in Municipal Debentures amounting to.....\$11,300, and Cash Deposits at its close, in the Bank of Upper Canada and City Bank of.....\$19,657 32, which sum is applicable to further investments.

Two half-yearly dividends of 4 per cent. each have been declared on the year's profits, leaving a sufficient amount at the credit of Surplus Funds to meet the ordinary contingency on outstanding risks.

The Directors, desirous of carrying out the views expressed by some of the Shareholders at last Annual Meeting, have carefully examined and calculated the present values of the Property and Securities held by the Company; the reduction on each item is noted in the Statements, making an aggregate of\$13,282 40, and this amount has been written off and charged to Surplus Account. At the same time it will be borne in mind that this sum will, to a great extent, be brought back into Account as some of the Securities mature for payment, while others again may be written up under more favorable circumstances.

From the Statements with details laid on the table, of which the foregoing is an outline, the Directors feel assured that the present position of the Company will be found satisfactory to the Shareholders, and such as to give promise of its continued progress, usefulness and prosperity.

At no time has rivalry among the Offices for business been more active than at present. New Companies as well, have lately entered the field competing for business.

The Directors, though not complaining of this competition when conducted in an honorable spirit and at fair rates of premium, would, however, in referring to the subject respectfully urge on each individual Shareholder to mark his interest in the Company's welfare, by not only bringing his