

\$14.79 lower than the usual mutual rate,—the actual payments for the subsequent four years have been only \$108.11, \$107.68, \$105.55, and, in 1877, only \$102.28. On ordinary life policies, commenced in 1873 at \$26.21, only \$21.15 is now called for, the balance being met by the year's earnings. Though paying an annually increasing dividend to policy-holders the surplus or dividend fund has been rapidly accumulating, until it is now \$3,878,508.43, a sum larger than one whole year's income from premiums, and nearly equal to 20 per cent upon the entire liabilities. The Insurance Commissioner for the State of Connecticut, after examining the Company thoroughly and finding its statements perfectly accurate adds, "The investments have evidently been made with the highest degree of care and prudence, and it is vigilantly and economically managed."

That it is a good point in a company's favor to have back-bone enough to resist a claim, occasionally, is shown by a case or two in this company's experience in Canada. At Cacouna, a few years ago, a \$12,000 policy-holder, living in Quebec, whose accounts were short on a flour speculation in Montreal, left a suit of clothes on the rocks opposite which he was seen bathing at dusk. After the date on which a company that never resists a claim would have paid the money to the relatives, the dead man peeped from his hiding place in the Old Country, and is still alive and well; and the *Ætna's* policy-holders get so much the larger dividends by the money thus saved, which careless management would have squandered. The *Ætna's* now business in Canada in 1876 holds the lead of all American companies, and shows a slight increase upon the previous year, a result which is not due to excessive working expenditure, as in the case of some other companies doing business in our midst.

—The Englishman, who at the time of the World's Fair in London spent fifty pounds in recovering a stolen umbrella worth only about four and sixpence, is merely an extreme type of the average British merchant, who will go any lengths to punish a fraudulent debtor. Like the Americans, our own people in Canada are inclined to be lenient towards the erring, in many cases because each member of a firm is obliged to attend so closely to his ordinary business that he rather feels it a useless waste of time to prosecute, especially as the law's delay and uncertainty are even more general here than in Europe. In this respect reasonably suspected cases of fraudulent bankruptcy are too frequently allowed to pass without proper examination. When there are English creditors, however, there is almost certain to be an investigation where there is any suspicion of fraud. The Ollendorff business is a case in point.

For some time past a case has been pending in Ottawa in which a boot and shoe dealer named Pratt (to whom reference was made in a previous number) has been the principal actor, and Thos. Benson Elley & Co. of Stafford, England, the prosecuting party. The defendant is accused among other things of having removed a part of his stock previous to his failure. It appears that after the second failure of the concern the style was changed to Graham & Co., Pratt still remaining in possession. Graham & Co. also made an assignment about a year after. In each case it is asserted that quantities of goods had been removed to the premises of relatives of the defendant. An expert who took stock testified that there were no English goods in the store, but the English representative asserts that there were at least three dozen pairs, and an examination by him revealed a single pair in the bankrupt stock that evidently had been overlooked in the hurry of removal. A large proportion of the goods (unmistakably marked) were found in the store of a brother of the defendant. The deposition before the assize courts in Ottawa last month elicited that he had at one time (in 1874) kept a cash book for three weeks which showed extraordinary receipts—with the avowed intention of inducing his brother to endorse for him. It was, however, discovered that he had kept a regular set of books all through. As the case was before the Ontario courts it was necessary for prosecutors outside the Province to deposit security for costs, and this Messrs. T. Benson Elley & Co. have been obliged to do alone, one of the three Toronto creditors refusing to sign the bond for that purpose. The evidence before the court was so conclusive that it was only by an error in bringing the action under the 136th Sec. of the Insolvent Act of 1875 as a civil action and not as a criminal offence, that the defendant escaped, it is said, being committed to gaol for a period not exceeding two years, the counsel for the defence having raised the objection that "the offence, if any, having been committed while the old Act of 1869 was still in force, the provisions of Sec. 148 of that Act would apply to the case, and that consequently a special jury must try it." The case of *Regina vs. Kerr & Wilson* was cited by the counsel, and the judge, holding the objection good, refused to allow the trial to go any further. The ruling of the judge in the case is open to criticism. Even if the offence was committed under the Act of 1869, a similar civil action could be brought under that Act, Secs. 92 and 93, the wording of which, as well as that of Sec. 136, Act 1875, shows that trial by jury may be dispensed with. A verdict was given for the amount due Messrs. T. Benson Elley & Co., \$463. The case is likely to come before the courts again on the charge of fraud, and efforts will be made in the interests of justice to move it to Toronto, for reasons well known to all the parties concerned.

**BUSINESS CHANGES.**—Alexander & Bryce, general storekeepers, Oshawa, have dissolved, Mr. Alexander having purchased the dry goods business of Murdoch Bros., Bowmanville, and removed there. The business in Oshawa is being carried on by Mr. Bryce. James Shea, Oshawa, has sold out his general store business to Griffin & Gargan, of Port Hope, the transfer to take place the middle of May next. Mr. Griffin of the latter firm has closed his store in Oshawa and removed to Picton, where he has secured a business which he wished to obtain before removing to Oshawa.

## CONFEDERATION LIFE ASSOCIATION.

### ANNUAL MEETING.

The annual general meeting of the Confederation Life Association was held at the head office of the Association on Tuesday, 10th inst., at 12 o'clock noon.

There were present Hon. W. P. Howland, C.B., President; Wm. Elliot, Vice-President; J. K. Macdonald, Managing Director; Charles Carmichael, Actuary, and Messrs. E. M. Chidwick, R. S. Baird, Lt.-Col. Duncan Macpherson, James Beatty, Jr., Q.C., B. Morton, C. E. Hooper, John N. Lake, W. J. Beatty, Wm. Adamson, Walter S. Lee, R. H. Anson, Richard Manning, A. F. Campbell, Edward Hooper, George Eakins, L. Goldman, F. A. Ball, Rev. Professor Young, &c.

William Adamson moved, seconded by Walter S. Lee, "That the Hon. W. P. Howland, C.B., do take the chair, and that Mr. J. K. Macdonald act as Secretary." The resolution was carried.

The Secretary read the notice calling the meeting, and the minutes of the last meeting were taken as read.

The President then read the annual report of the Association, the cash account and balance-sheet for 1876, the Auditors' report, the report of the Special Committee, the Actuary's report, and the report of the Trustees, which were as follows:

### ANNUAL REPORT.

In submitting the Annual Report and Financial Statements of the business for the year 1876, exhibiting the result of the first quinquennium of the Association, your Directors are well aware that greater interest is felt by the policy-holders and shareholders in respect to them than for those of any previous year. Under these circumstances, and in view of the severe depression which has prevailed during the past two years in all branches of business, it affords the Directors great pleasure to come before the Annual Meeting and submit a Report and Statements that show the Association to be in a highly prosperous and healthy state. Some change has been made in the Financial Statements, herewith submitted, with a view to simplify them, so that every one may understand fully the operations and position of the Association.

The time having arrived for ascertaining the surplus available for distribution, and judging that safety is the fundamental principle of Life Insurance, your Directors deemed it wise to write off everything from the Assets about which there was any element of doubt, as such a course could not in any way prejudice the collection, while it would prevent the grave mistake of possibly distributing as surplus what might turn out uncollectable. In this way, the sum of \$2,600.06 was written off, together with the balance of Preliminary Expenses in full, and ten per cent. off the Furniture Account.

The Assets might have been increased \$2,337.00, by entering the Debentures held by the Association at the market value instead of at cost, and which would have increased the surplus by that sum; but it was thought wiser to hold the difference as an additional security.

In order that the kind and value of the securities held by the Association might be tested, a special committee of the Directors was appointed to examine them. This committee passed in detail each mortgage, debenture, and certificate of stock, including loans upon stock. The report of the committee is appended hereto.

The audit, by two Auditors, has been made each month in a most thorough manner, which may be judged from the fact that it extends to the checking of each separate premium in the Register.

The actuary has valued the policies as in the past, on the mortality table of the "Institute of Actuaries," and at 4½ per cent. interest. His report is submitted herewith.

The test to which the Association is subjected by the use of the Institute of Actuaries' Table of Mortality, is well illustrated by the following, taken from the report, issued during the present year, of the "Clerical, Medical and