

respectively, while the Citizens' total assets, as against risks in force, show a percentage of \$1.72, and this exclusive of its large capital at call, held by some of the wealthiest capitalists of the Dominion, and amounting to \$932,000.

The charge of "bad results of business generally from 1876 to 1882 as evidence of mismanagement" was met by showing that the actual loss of the company was \$113,300, including the conflagration losses of 1876-7, which amounted to over \$340,000. Apart from these the result would show a profit of over \$140,000 on the actual underwriting of the company.

What was deemed a strong point was the charge of employing life funds to pay fire losses. The evidence went to show that the life funds or reserves have never been touched for any purpose whatever, and appealed to the Deputy Superintendent of Insurance to prove the fact as a witness, which he did.

The trump charge of "reckless underwriting" was answered by the evidence of Mr. T. R. Wood of the *Aetna*, a witness for the defence, who considered that the United States limit of single risks to one per cent of capital to be the proper amount. He did not deem \$40,000 too much for his company to carry in this country on a single risk although it represented two-fifths of his entire Canadian fire income, while the Citizens' \$10,000 represented but one-nineteenth of its annual fire revenue. The *Aetna* had admitted lost \$40,000 on a single risk in Montreal not long since.

On the question of "motives of malice" on part of defendants, it was shown by letter that the proprietor of the *Budget* had applied for the Toronto Agency of the Citizens Insurance Co. and that the company's patronage of the paper had been reduced, shortly before the attacks appeared. It was implied that the editor had himself written the "Anti-Blanket" letter to the paper, dated from St. Mary's in June, 1882, charging the Citizens Co. with having written a certain blanket policy, which policy they deny ever having had on their books. This implication was not denied by Mr. W. Campbell who was in court and heard the charge. The editor had also applied by letter, and which letter was put in as evidence—for the Toronto Agency of the company, and had made frequent applications for vacancies at the head-office as inspector, etc.

The co-defendant, Mr. McCord, was shown to be a competitor in the Guarantee and Accident business; he was never a shareholder in the Citizens Insurance Co. The whole evidence was what one of the witnesses would have called such a complete "walk over" for the plaintiffs, that we forbear giving some of the sharpest portions of the evidence, and in consideration for one whose confidential contribution was so heedlessly betrayed.

THE ROYAL CANADIAN INSURANCE CO.

The decision of the Court has been given on the application for an injunction to prevent the directors of the Royal Canadian selling the forfeited shares, which have been advertised for some time back. We believe that the decision is not a final one, but merely to postpone the sale under existing circumstances.

The fate of the company is now in the hands of the present shareholders, for, unless the Directors are sustained, it will scarcely be possible for the Company to continue its business. We, of course, can understand the policy of the speculator, who, having bought a large number of shares at a mere nominal price at a time when, owing to a disastrous fire, there was a panic among the shareholders, would benefit largely by winding up the Company, and obtaining his share of its assets. The shareholders should do justice to the present directors many of whom at the same period of panic stepped forward and, by assuming large personal responsibility, relieved the Company from its difficulties, and placed it in the satisfactory position in which it is found to-day. We feel assured that there can be no second opinion among those who have had the best opportunities of judging of the characters of the gentlemen who constitute the Board of the Royal Canadian Insurance Company that it would be a fatal blunder to make any change in the direction under existing circumstances. It may not be as well known to shareholders at a distance as it is in Montreal that the means of obtaining the stock purchased on speculation, and with the object of obtaining the control of the Company, was supplied by the unfortunate Exchange Bank, and, so far as is known, without any but personal security. The calculation was that the Royal Canadian Insurance Co. would be wrecked, but the Bank, unfortunately for the speculators, came to grief, and the whole plot was exposed. It must not be imagined that in offering the foregoing remarks we have the slightest apprehension as to the result of the ballot at the approaching annual meeting, but, as at all elections where there are contests, it is simply a matter of duty for every voter to support the cause which he thinks right.

Meetings, &c.

THE HOCHELAGA BANK.

The tenth annual meeting of this Bank was held in their own premises, St. Francois Xavier and Notre Dame streets, on Tuesday last. Mr. F. X. St. Charles was called to the chair, and Mr. J. B. Brais was requested to act as secretary. Messrs. J. G. Dupuis and Damase Parizeau were appointed scrutineers.

THE REPORT.

To the Shareholders of the Hochelaga Bank.

GENTLEMEN.—The commercial depression which prevailed during the year just come to a close has not allowed your Directors to realise the expectations which they were justified in anticipating at this time last year. The profits have been sufficiently large to justify the payment of two dividends of three per cent, but only a small balance remained to be carried to Profit and Loss Account. The following statement shows the result of the Bank's operations during 1883:

PROFIT AND LOSS 31ST DECEMBER, 1883.

Dr.	
Fourteenth dividend of three per cent., paid 2nd July, 1883.....	\$21,150 60
Fifteenth dividend of three per cent., payable 2nd January, 1884.....	21,092 71
Losses for the year and probable losses.....	26,209 14

Bank shares forfeited in 1880 restored to shareholders.....	17,640 00
Balance.....	2,507 12
Total.....	\$88,599 57

Cr.

Balance to credit of this account on 31st December, 1882.....	\$ 7,484 31
Profits for the year, after deducting working expenses, interest on deposits, &c.....	81,115 26
Total.....	\$88,599 57

The bank having had to suffer its share of the financial calamities which prevailed during the year, your Directors deemed it right to strike from the assets every amount which was not secured. The balance sheet has been prepared as carefully as possible, and for the greater satisfaction of the shareholders and the public the Directors have opened the books and all the securities of the Bank to the careful examination of two competent gentlemen, whose report will be also submitted for your consideration. The rule established for the verification of the books and securities of the Bank in all its offices has been carefully observed, and the Directors, in testifying to their accuracy, acknowledge the zeal of the officers in the discharge of their respective duties. The whole humbly submitted.

(Signed),

F. X. ST. CHARLES,
President.

BALANCE SHEET, 31ST DECEMBER, 1883.

Liabilities.

Capital stock paid up (subscribed \$15,200).....	\$703,420 00
Fifteenth dividend.....	21,092 71
Unclaimed dividends.....	848 66
Reserve Fund.....	50,000 00
Profit and loss.....	2,507 12
	\$ 777,868 49
Bank notes in circulation.....	368,552 00
Federal Government deposits payable on demand.....	33,618 94
Deposits held as security for the performance of contracts with the Federal Government.....	1,490 00
Deposits by the Government of the Province of Quebec, payable on demand.....	16,213 54
Other deposits payable on demand.....	230,291 35
Deposits bearing interest payable after notice, or at a fixed date.....	195,964 60
Due to other Banks in Canada.....	828 39
Liabilities not comprised in the foregoing.....	9,055 68
	\$56,014 50
	\$1,633,882 99

Assets.

Specie.....	\$ 38,191 65
Dominion Notes.....	35,800 75
Notes and cheques of other banks.....	36,308 37
Due by other banks in Canada.....	20,057 26
Due by other banks in the United States.....	9,225 98
Due by other banks in foreign countries.....	11,303 96
	\$150,688 47
Loans and bills under discount.....	1,258,466 82
Overdue bills.....	2,198 67
Debts overdue secured by mortgage, lien on shares of this bank and other securities...	93,223 23
Real estate.....	64,614 14