

THE STANDARD LIFE ASSURANCE COMPANY.**BONUS TO POLICYHOLDERS ANNOUNCED.**

The highest eulogy of the Standard Life Assurance Company is found in its own Annual Reports and Statements. The report presented at the 75th annual meeting held at Edinburgh on 3rd May last was one of more than usual interest. The year 1900 closed a quinquennium, or a five-years period, when, in accordance with the custom of the company, a division is announced of a bonus to the policyholders, the amount declared this year being based upon the report of the 14th investigation. The amount of assurances accepted, for which 5,102 policies were issued last year, was \$10,815,975. The annual premiums on the new policies were \$451,525. The death claims, inclusive of Bonus additions, were \$3,776,880, and the annual revenue \$6,212,590. The Accumulated Funds stood at \$49,717,450, the increase in 1900 having been \$2,173,905. The amount of assurances in force at close of the Company's last year, was \$127,862,530. The great expansion of the Standard Life is shown by the new sums assured in years 1851-60 having been \$26,542,215, and in 1891-1900, \$95,326,770. Each 10-year period increased until the amount of new sums assured in 1891-1900 was double what had been secured in 1861-70. The death claims during the past five year term are regarded as favourable. The policy of extending the company's operations has enabled investments to be made at rather better rates than those prevalent for some time past in the United Kingdom. Under the judicious management of Mr. W. M. Ramsay, the company secured investments in the Dominion to an exceptionally large extent which have yielded satisfactory returns, and have proved that, with proper care, the Dominion affords a very wide field for investments at once safe and profitable. How carefully this department of the business has been conducted is shown by the re-valuation of the securities held showing an increase in value to extent of \$645,890. In dealing with the India accounts the conservative policy has been adopted of, first valuing the rupee at an exchange of about one shilling and four pence, and then balancing silver Assets and Liabilities against each other as far as possible. This must be regarded as a prudent policy, for, to the extent to which Assets and Liabilities are represented by, or are based upon the rupee, to that extent the fluctuations in the exchange value of the rupee in the Assets are balanced by fluctuations in the Liabilities, and the depreciation or appreciation being equalized, the value of the general Assets and the amount of the general Liabilities are not disturbed by the local conditions of the market in India.

The downward tendency of money values for

some years past caused the average rate of interest earned by the Company in the past 5-year period to be the lowest in its history, the average rate having been £3 19s on the whole balances invested and uninvested. Since the war began money rates have advanced, so that the average rate for 1900 on the aggregate funds, now close on \$50,000,000, increased from £3 17s 9d in 1899 to £3 19s 5d last year. In valuing the liabilities, except in special cases, the English table has been adopted which for many years had been found a safe criterion of the mortality amongst the Company's policyholders. In valuing a considerable portion of the liabilities 3 per cent was used, and for the rest 3½ per cent was adopted, so that as the Company's fund realized close upon 4 per cent a good margin was left for safety and profit. The net or actuarial premiums having only being valued for all policies, has had the effect of strengthening the Reserves, and the Reserve Fund of \$400,000 remains unappropriated, this serves along with the Proprietor's capital to give further protection in case of need. The valuation gives the balance of funds after deduction of vested liabilities as, \$47,687,855, and the total liability \$44,665,180, which leaves a surplus available for distribution of \$3,022,675, out of which \$2,980,230 is appropriated in reversionary bonuses to policyholders equal to 1¼ p.c. per annum on the sum assured, or £6 5s 0d per £100 assured on all policies of 5 years old and upwards. The total reversionary values, that is, sums payable at death, along with sums assured, is \$4,947,755. Such a result will be most gratifying to the policyholders and enhance, if possible, their confidence in the Standard Life. It will also add much to its prestige and popularity. An intermediate bonus to With--profit policies of 5 years standing which become claims by death, or mature before the 14th Nov., 1905, will be allowed at rate of £1 per cent. for each full year's premium due and paid after 15th Nov., 1900.

Mr. D. M. McGoun is to be congratulated on entering upon his managerial duties in a year having so excellent a report and results calculated to be so attractive to new business. He is also fortunate in having the counsel of his predecessor, Mr. Ramsay, who, both on the Board of Directors and at other opportunities places his great experience and sound judgment at the service of his successor.

MR. ATKINSON, well-known as President of a Boston insurance company, in a recent report, condemns all electric installations of ten or more years ago, which he dubs the "wooden age of electric work." He regards it as the conviction of adjusters and experts that losses by electrical hazards may be avoided by using such suitable safe guards as underwriters advise.