

## PRUDENTIAL LIFE (WINNIPEG) AFFAIRS

**G. H. Miner Reviews His Connection with Company—Sues  
for \$25,000 Damages and Intends to Exact  
"Last Pound of Flesh."**

Editor, *The Monetary Times*.

Sir,—My attention has just been called to an article which appears on page 26 of your issue of 25th of February, which no doubt has been published by you in good faith, but from my standpoint it is an inspired article with only one object in view, that is, to injure my reputation and shows vindictiveness on the part of those responsible, and I wish to reply to same briefly.

Regarding the Sun Life statement that the reinsurance would have been effected months ago had it not been for my opposition, I may say that the meeting of the shareholders which considered the matter was held in July last, but I was not allowed to see the agreement with the Sun Life or to vote on the proxies which I held, notwithstanding the fact that I was a shareholder, policyholder, represented a large number of shareholders by proxy and also a director of the company. I was only able to receive copy of the said agreement by an order of court. I maintained that this agreement was not in the interests of the policyholders or shareholders and my contentions were sustained by the judge of the King's Bench of this province.

**Has Not Seen Agreement.**

I am told that the agreement which is now being consummated is an entirely different one. However, I have not had the opportunity to see it.

Some directors of this company are attempting to shield themselves and place responsibility for the failure of this company upon me and I wish to place before you some facts and I enclose herewith the following evidence.

On the 18th of June, 1914, I placed before every director a statement, one of the originals of which is herewith enclosed, which shows clearly at that time the position the company was in.

Am also enclosing bond that was signed by seven directors of the 23rd of June, 1914, in favor of the inspector of insurance in the province of Manitoba, giving their personal guarantee should the assets of the company be insufficient to take care of the liabilities.

**Government Refused First Bond.**

Am also enclosing herewith copy of the resolution that was passed on the 24th November, 1914, instructing me, as manager, to have a new bond executed for \$125,000, which they at that time agreed to sign, as the government would not accept the first bond in the form in which it was presented to them.

Am also enclosing statement that was furnished and sent out to the shareholders in the fall of 1912, showing the progress of the company during the first five years of its existence. It is a funny coincidence that Mr. T. D. Robinson had just accepted the presidency of the company about this time and while there was still progress in the year 1912 and to some extent of 1913 the company started to get into deep water shortly after these men, who are now trying to mislead the public, became directors and officers of the company.

In May, 1914, I became very much worried as to our position and I secured a report from Miles M. Dawson, of New York, (as you know Mr. Dawson was actuary employed by the Dominion government during the insurance investigation). Mr. Dawson gave us what I considered at the time very sound advice, but the directors refused to carry out same.

**Suggested 10 per Cent. Call.**

You will note, in my report of 18th of June, 1914, that I made the suggestion that a call of 10 per cent. be made upon the shareholders. I also suggested that some change be made regarding the collection of the outstanding shareholder's notes of the company. They not only refused to carry out these suggestions, but also the suggestions of Mr. Dawson and every suggestion that meant a call upon the directors themselves.

Now for your information, Mr. T. D. Robinson, the president, is a holder of 65 shares in the company, on which he has paid \$35 per share, or total of \$2,275. No director has more than \$3,000 invested.

In 1914, I made the directors a proposition, without prejudice, that I would retire from the company and tear up my contract, providing they would each make their paid-up holdings in the company \$10,000. That was declined.

**"Allowed Ship to Drift."**

In September, 1914, I was asked to give up my contract with the company and accept a small salary. I again told them that I would do so if they would put more cash into the business. They, however, refused to put up any more money, would not complete the bond to the government in the form in which they required it and allowed the ship to drift, with the exception that they appointed themselves as a finance committee, by resolution, authorizing themselves to sign all cheques (by resolution only), and proceeded to conduct and manage the business for a time. Please note, however, that while they were signing these cheques and conducting the affairs of the company, the by-laws were not changed. My duties, as manager, were defined by by-law and the duties of all other officers were defined by by-law. It was my duty to sign all cheques.

I am accused of drawing \$1,000 on account of organization expenses since the resolution of 20th of September, 1914, was put through. I say that such statement is absolutely false and is made, in my opinion, with the sole intention of injuring me, and the party who made the statement—namely, T. D. Robinson, president of the company, knew, or could have known had he made inquiry, that his statement was false. I did draw \$1,000 on account of salary in January, 1915, on the advice of my solicitor in whom I have every confidence, and, by the way, this solicitor is a partner of the solicitor who is acting for the late directors in the winding up of the company.

**Suit for Damages.**

Amongst the documents that I herewith enclose is statement of the company as issued on 31st December, 1914, and you will notice that there is a liability to G. H. Miner on account of salary of \$1,369.63, and it was part of this money that I drew in the following month of January, and I had a perfect right to sign all cheques as manager of the company. Further, the directors (who later complained of it), knew I drew this money and knew that it was due me, but did not complain at the time.

I am also enclosing copy of my contract that I have with the company for your perusal. You will note it is for a period of years.

I have issued a writ against the company for damages of \$25,000, and I intend to exact my last pound of flesh in view of the attitude taken by the directors.

**Allowed to Leave Country.**

No criminal proceedings have been taken against the late secretary, who was a defaulter, nor the auditor, whom the secretary says is involved. They were both allowed, for some reason, to leave the country. The president, T. D. Robinson, accepted from the secretary, an assignment of some equities in real estate which have since proved to be valueless and he was afterwards censured by the directors, at which meeting I was present, for accepting partial restitution without consent of the directors and shareholders. I am also told that the bond company have refused to pay the bond owing to the president's action.

I do not wish to burden you with lengthy statements, but I can assure you that there are plenty of things that I can bring before the public that would astonish them. For instance, the auditor that they are complaining about. They say that I requested him to do certain things. This auditor did some work for the company in midsummer, 1914, and his account, owing to the unsatisfactory nature of the work, I refused to O.K. and also refused to sign a cheque for it. However, after the finance committee was appointed they issued a cheque to this very same auditor for the amount, without my O.K. as manager, and without a resolution of the board. You can judge for yourself who was standing in with the auditor. The amount was over \$600.

In conclusion, I again draw your attention to the statement I placed before the directors on 18th of June, 1914, and am enclosing copy of resolution which they authorized to be sent out, and passed by the board 23rd June, 1914. You will note that they have carefully considered the company's financial position and have authorized the secretary to make a statement that they have satisfied themselves that every policyholder of the company is fully protected. You will therefore see that they were familiar with the condition of the