

The Federal Life Assurance Company

SEVENTEENTH ANNUAL STATEMENT

DIRECTORS' REPORT.

The seventeenth annual meeting of the Shareholders of The Federal Life Assurance Company of Canada was held at the head office in Hamilton, on Tuesday, the 7th inst. In the absence of the President, Mr. Beatty, Mr. William Kerns, First Vice-President, occupied the chair, and Mr. David Dexter acted as Secretary. The following report and financial statement was submitted by the Directors:

The Directors have pleasure in submitting for the information and approval of the Shareholders, the following report of the business of the Company, together with a statement of Receipts and Disbursements for the year which closed on 31st Dec., 1898, and of the Assets and Liabilities on that date.

New business consisted of fourteen hundred and fifty-nine applications for insurance, aggregating \$2,248,850, of which thirteen hundred and eighty-one applications for \$2,114,232 were accepted, applications for \$134,000 having been rejected or held for further information.

Annuity premiums to the amount of \$12,731.50 were also received.

In the past year, as in the preceding year, fully ninety per cent. of the new business written by this Company was on its investment plans. This, and the fact that the advent of three additional and well-equipped competitors in the field within the past two years has not diminished the share of new business which this Company has been able to secure, indicates the continual growth of feeling in favor of investment insurance, rather than towards other forms of investment on which interest earnings are depreciating steadily.

The income of the Company shows a gratifying increase over previous years, and the addition of \$143,835.14 to the assets is especially noticeable, the total assets having risen to \$866,283.41, exclusive of guarantee capital.

The security of the Policyholders, including guarantee capital, amounted to \$1,475,283.41, and the liabilities for reserves and all outstanding claims, \$757,399.20—showing a surplus of \$717,884.21. Exclusive of uncalled guarantee capital, the surplus to Policyholders was \$108,884.21.

Assurances for \$114,575 on fifty-seven lives became claims through death, of which amount the Company was re-insured for \$7,000. Including cash dividends and dividends applied to the reduction of premiums (\$30,878.32) with matured endowments for \$4,600, the total payments to policyholders amounted to \$143,702.25.

In accordance with instructions received from the Shareholders at the last annual meeting your Directors applied for and obtained from the Parliament of Canada a special act of incorporation changing the name of the Company to the Federal Life Assurance Company of Canada, and granting enlarged powers for business and investment in and out of Canada.

The investments of the Company have been carefully looked after and have yielded for years past the best results reported by any Company doing business in this country. Expenses have been kept within reasonable limits, while due effort is being made for new business. The chief officers and agents of the Company are entitled to much credit for their able representation of the Company's interest. The office staff have also proved faithful in the Company's service.

The accompanying certificate from the Auditors vouches for the correctness of the statements submitted herewith, all accounts, securities and vouchers having been examined by them.