

Appropriated as follows :

Reserve.....	\$10,550 00	
Bonus to late manager.....	4,000 00	
Contingent fund.....	10,988 75	
		\$1,509,988 75
		\$3,547,801 82

Assets.

By investments:—		
Mortgages.....	\$3,329,240 18	
Loans on Co.'s stock, etc.....	74,078 55	
Office premises and furniture..	14,366 84	
		\$3,417,684 57

Balances:—

British agents to pay maturing debentures.....	\$61,019 00	
Banks.....	68,367 31	
Cash in office.....	720 94	
		\$130,107 25
		\$3,547,801 82

Profit and Loss for the year ending 30th April, 1885.

To Interest on Deposits.....	\$32,784 21	
do Debentures.....		
Sterling.....	44,566 31	
" Interest on Debentures.....		
Currency.....	8,125 31	
		\$85,475 83
" Expenses, including cost of management, commission to valuers, etc., etc.....		26,934 31
Net profits on this year's operation, appropriated as follows:—		
Two half-yearly dividends of 5 per cent. each.....	\$95,926 94	
Reserve fund.....	10,550 00	
Bonus to late Manager.....	4,000 00	
Contingent fund.....	10,988 75	
		121,465 69
		\$233,875 83
By interest on investments, bank balances, rents, etc.....		233,875 83
		\$233,875 83
		S. C. Wood, Manager.

Head Office Corner of Church and Court Streets, Toronto.

President—Hon. William McMaster, President of the Bank of Commerce.

Vice-President—A. T. Fulton, director of the Bank of Toronto.

Directors—W. J. MacDonell, Vice-Consul of France; W. F. McMaster, T. S. Stayner, Director of the Bank of Commerce; Wm. Elliott, Vice-President of the Bank of Commerce; Charles H. Gooderham.

Manager—Hon. S. C. Wood.

Solicitor—John Leys.

Manitoba Local Board—G. D. McVicar, H. S. Westbrook, J. J. Robertson. Office, 255 Main street, Winnipeg.

Bankers—Canadian Bank of Commerce, Standard Bank, Bank of Ottawa.

After the reading of the report and the financial statements by the manager, the Chairman moved, and Mr. A. T. Fulton, seconded, that they be adopted, which motion was carried unanimously.

It was moved by Col. Gzowski, and seconded by Mr. George Gooderham, that the thanks of this meeting be given to the president, vice-president, and directors for their attention to the interests of the Company during the past year, and that the usual allowance be given them for their services.

Mr. Thomas Gordon and John Symons were appointed auditors.

Messrs. W. S. Lee and Jas. Browne having been appointed scrutineers, and the ballot having been taken, the following gentlemen were declared unanimously elected directors:—Hon. Wm. McMaster, Messrs. H. T. Fulton, W. J. MacDonell, W. F. McMaster, T. S. Stayner, Wm. Elliott, C. H. Gooderham.

At a subsequent meeting of the directors the Hon. Wm. McMaster was elected president, and A. T. Fulton, vice-president.

THE PROVIDENT MUTUAL.

The annual meeting of the Provident Mutual Association of Canada took place on Friday, the 5th inst., at the head office of the Association, Montreal. A very large number of members were present, not only from Montreal, but from many of the business centres of this and other Provinces.

The chair was occupied by Mr. B. Globensky, Q. C., vice-president, and among those present were Hon. R. Thibaudeau, Hon. T. J. J. Loranger, C. A. Geoffrion, Q. C., Jos. Loranger, Q. C., F. A. Quinn, W. S. Walker, E. J. Guerin, W. J. O'Hara, M. J. F. Quinn, John McEntyre, S. Rivard, M. A. Brault, T. Vanasse, J. B. Rouillard, M. Blais, Judge Lyons, Ottawa; Charles Punchard and J. Hammouds, Ottawa; J. H. Walker, Toronto; W. Grimmer, St. Stephen, N. B., T. Wyatt Fraser, Pictou, N. S., F. Donkin, Amherst, N. S., Messrs. Coad, Moodie, Graham and Dr. Kelly of Ottawa, Bisson and Welsh of Quebec, and about one hundred others.

After reading the minutes of the last general meeting, the chairman called on Mr. A. Gagnon, secretary-treasurer of the Association, who read the following:—

ANNUAL REPORT.

MONTREAL, June 5, 1885.

To the members of the Provident Mutual Association of Canada.

GENTLEMEN.—At the last annual meeting of this Association the number of certificates of membership was 3,827. Since then 1,978 new certificates have been issued, representing risks to the amount of \$4,512,000. One hundred and two applications recommended by the local medical examiners were rejected by the Medical Director. There were cancelled during the year 1,124 certificates, not including a large number which have lapsed. We refer you to the financial statement as to the condition of the Association, and its business during the year, and trust it will meet with your approval. In view of the stand taken by the Minister of Justice at Ottawa, that Associations like ours had no right to transact business without having first deposited \$50,000 with, and obtained a license from, the Federal Government, our Directors obtained the passage of Bill No. 139 by the Provincial Legislature, the 11th section of which says:—"The Provident Mutual Association of Canada shall be deemed to be an Association duly incorporated under chapter 71 of the Consolidated Statutes of Canada;" it also empowered the Government to accept of deposits of various sums of money from our Association. After this legislation there was no trouble in doing business in Quebec, but the Dominion Superintendent of Insurance contended that we had no right to do business elsewhere, and wrote letters to that effect, to parties in the Maritime Provinces and Ontario, where we were accumulating a large membership, which letters were published by Agents of the Life Companies in the various newspapers. In this state of affairs, the directors thought it proper to see if legislation could not be had at Ottawa, whereby our Association could be licensed by the Federal Government to do business all over Canada. The Manager and one of the legal advisers of the Association have made repeated trips to Ottawa during the present Session of Parliament to assist in effecting this object. The Finance Minister has introduced a Bill which has been amended and accepted by the Standing Committee of the House, and when it becomes law this Association will be licensed to do business

by the Federal Government all over the Dominion of Canada, subject to inspection by the Superintendent of Insurance.

We have to congratulate the members upon the very low death rate experienced by this association during the year, it having been only four (4) out of every thousand, which was about one-half the rate of that experienced by Life Companies doing business in Canada during the same time, and we think less than that of any Association or Company of the same age in existence. With every possible care it is the experience of Life Insurance Companies that undesirable risks will by some means or other creep in unawares. We have not escaped, but, owing to the care and watchfulness of the Directors and Manager, and by a close inspection of the proofs of death during the past two years, the sum of twenty-eight thousand dollars (\$28,000) has been saved. The fraudulent nature of those claims were so thoroughly exposed that all have been settled except one, without bringing matters into Court. This exception was the claim in re Charles Ranny, of Ottawa, for which suit was taken against the Association for \$5,000, but a verdict was obtained in our favor with costs against the claimants. Those claims were fair upon their face, but the frauds were detected and our members saved from being assessed for the amount thereof.

In the month of July, 1884, the manager, Mr. Hopper, wrote to the directors, stating that the increasing business of the Association necessitated that the secretary-treasurer, Mr. A. Gagnon, should devote the whole of his time and attention to the details of the office, and in order to effect this it became necessary to commute the claim of the estate Duels in the contract then in existence, annul that contract, and enter into a new one. Accordingly the directors signed a contract, subject to ratification by the members, with Messrs. Hopper and Gagnon, under date of 29th July, 1884, on the same terms as the first contract, but for ten years instead of five, including the unexpired term of the old contract. At the request of Mr. Gagnon it was not submitted for ratification until February last, when, at a general meeting called for that purpose on the 17th of February last, it was approved of and ratified.

Immediately after that meeting opposition showed itself, in the shape of injurious paragraphs in the newspapers, followed by notarial protests and law suits; the result being a sudden cessation of new business, and disquietude and distrust among the members who sent in their resignations in large numbers, while others threatened to follow their example. Agents of rival companies took advantage of this state of affairs to circulate throughout the country accounts of internal discord, clipped the injurious paragraphs from the papers, published them in circular form, and spread them broadcast over the Dominion. Under those circumstances, foreseeing protracted lawsuits and other proceedings which would have destroyed the association, and made their contract valueless, Messrs. Hopper and Gagnon of their own accord, resigned their contract, which was declared annulled by the directors, and subsequently, with their consent, by Judgment of the Court, thus leaving the old contract still in force.

In the course of this controversy the president, Mr. de Martigny, and the first vice-president, Hon. L. R. Church, resigned their positions, the latter stating in his letter of resignation "that there was the evident fact that there has been admitted amongst the members of the company a certain number of persons who do not extend to the Board and its decisions that loyal confidence without which an organization such as this cannot advantageously exist.

In consequence of the trouble above referred to, and having received the offer of a lucrative position from another company, Mr. Hopper, the general agent, has signified his intention of resigning his office in connection with this Association. The directors deeply regret that under the present condition of affairs they are not in a position to offer him any inducements