

risks he so involved himself that he was driven to try and make up his losses. Of course, it is no excuse for him, but it is the legitimate outcome of a state of things where the money a man should have to live on is paid away to his patrons. He had hoped to recoup himself by renewals, but the relief he waited for never came.

Another very flagrant case has come under my personal notice. A gentleman, who has been engaged in soliciting for several years, was induced by the general agent under whom he works, to give off commissions to insurers, with the promise that his renewals would pay him well in future for the present outlay. He would allow him to overdraw, and when his renewals began to come in he would be all right. Acting on the advice of an unscrupulous man, he allowed himself to get into debt to the general agent, with the result that the latter holds a chattel mortgage on the household effects of the former, which he holds over him *in terrorem*, and through which alone he retains his services.

By acting on the advice of his principal, whose duty it was to warn him against wrong-doing, he has placed himself in the position of the veriest slave, and his usefulness is thereby so much impaired that he will never be able to extricate himself.

DAUGHTER MANAGEMENT.

That life insurance companies are often swindled by those who are paid to protect their interests is patent to any one who has kept his eyes open, and who is in a position to get information; and as you know the getting of information is part of my business as your correspondent, I naturally hear a good deal of what is going on.

The case in point is of a serious nature, but as the documents in evidence can be forthcoming at any time, you need have no fear of the courts in publishing the facts.

Some time ago an examiner for one of the large companies in an eastern town, had submitted to him for examination several applicants for insurance, all of whom he advised the agent were bad lives; one had necrosis of the leg bone from syphilis; another, a bad case of chronic bronchitis, while the others were equally dangerous subjects. He, however, examined them under protest, at the earnest solicitation of the agent, and positively declined the entire lot. A few days later he received a notice from the general agent, that his commission was cancelled; a new examiner was appointed in his place, and every one of the rejected ones were passed, and policies issued on their lives. Not only did the general agent cancel the commission of the examiner, but he refused to pay the fees for examination, until the doctor placed his claim against the company in suit, when the general agent, afraid that the company would hear of his methods of protecting their interests, paid the accounts.

A long correspondence ensued, and the letters written by the company's general agent were of a most compromising character.

The two gentlemen meet now sometimes, but "they never speak as they pass by;" but the doctor has the letters in his possession, and will produce them at the proper time.

DUTIES AND RESPONSIBILITIES OF DIRECTORS.

Attention is just now being called to the above subject, owing to the disastrous failure of the Central Bank, and most people who write about it seem to have an idea that if they were honored by a seat on such a board as that of a bank, they would analyze with great care every item affecting the bank's standing. Would they? Let us see how this thing works in practice.

A new director on any of these boards of directors is the veriest tenderfoot. He takes his place, as a rule, because he will not be likely to do any harm. Those in charge are quite competent to manage things without his interference, and he is not long on the board until he learns that he is expected to sit at the feet of the Solons, who are in possession, until, in their good pleasure, they condescend to enlighten him as to their operations. True, he sees what is going on, or thinks he does, and hears what is said at board meetings, but unless he is in the ring, any question of his as to management, is looked upon as an interference, and if he persists in prying too closely into the books,—if indeed he has access to them at all—he is simply turned out at the first favorable opportunity, and some one more pliable takes his place. The result is that among the men who hanker after these positions and the fees they bring for each meeting, there is a determination to keep in with the ring,—by being silent. It is a pity that such poor stuff is used

in the formation of such boards, but I suppose where clear-stuff cannot be procured, the builders must be satisfied with culls.

AN AMUSING SCENE.

During the trial of Wells vs. Co-operative, which took place here lately, one of the witnesses for the plaintiff, who is somewhat advanced in years, affected to be exceedingly deaf. He could not hear a single awkward question, and his replies invariably took the form of "Eh!" "I can't hear you." "Speak louder, I am a little deaf," "I don't know," "What is it?" etc., etc., until the examiner, losing patience, dropped him in disgust. It turns out that the witness had already that very day, secured a risk on the life of the solicitor of the defendant company for \$5,000, and had him examined in an old line company. This was disinterestedness with a vengeance. It is not suggested that the insurance was in any way a bribe, as both gentlemen are above suspicion, but it has caused some amusement in quarters where it is known.

NEMESIS.

GUARANTEE COMPANY OF NORTH AMERICA.

The Fifteenth Annual Report of the Guarantee Company of North America for 1887 is, as usual, promptly at hand, and presents an array of figures that appear to have been highly gratifying to the shareholders, for we notice that they have decided to raise the paid-up capital of the company from \$300,000, its present amount, to \$500,000. A dividend of six per cent. was declared which was entirely defrayed out of the earnings upon the Company's investments, leaving the income of the year intact. The retiring officers were unanimously re-elected.

The following comparative table of the condition of the Company on Dec. 31st, 1887, will present some of the salient points in its progress:

	1886.	1887.
Cash assets.....	\$528,317	\$567,689
Total resources.....	896,917	933,846
Surplus as to policyholders..	393,860	425,316
Annual revenue.....	252,159	270,773
Losses paid during year....	76,291	75,612
Bonds issued to date.....	81,181	92,163
Bonds in force on Dec. 31st.	24,754	25,776

Shewing a steady advance in each item over the preceding year. For a company confining its business entirely to issuing bonds of suretyship for employees of large financial and commercial corporations and business firms, this is a remarkable shewing, and an evidence, if any were needed, that the thirty odd years of experience of managing director Rawlings have eminently fitted him for the responsible and arduous position which he has so long and so successfully occupied. Both manager and shareholders are to be congratulated.

Canadian Millers' Mutual Fire Insurance Company.

Secretary Jones has favored us with a copy of the Ninth Annual Report of the Canadian Millers' Mutual Fire Insurance Company for 1887, from which we take the following items, as compared with the previous year, viz.:

	1886.	1887.
Amount at risk.....	\$367,900	\$512,900
Assets, premium notes....	29,482	38,666
Total assets.....	33,455	53,104
Losses (2 mills '86, 1 mill '87).	3,667	2,596

The loss ratio being only 19 per cent.

Thus shewing a very gratifying increase over the business of 1886.

The question proposed at the last annual meeting, of extending the business of the company to other manufacturing risks, came up for discussion, and was decided in the negative.

D. Goldie, Esq., was re-elected President, and Mr. William Snider, Vice-President. Mr. Seneca Jones the very efficient Secretary, was again complimented by a re-appointment to the position that he has heretofore filled so well.