

setting aside one-third of the gross premiums to meet the risks which were still unexpired at the close of the year, there remains a disposable surplus of something upwards of £90,000. In these circumstances, and looking to the increase of the realized funds of the company, your directors have felt themselves justified, with due regard to the safety of the company, to recommend a permanent increase to the dividend of two per cent.; in other words, that in future, the dividend shall be 12 per cent., or 15s. per share, instead of 10 per cent., or 12s. 6d. per share, as formerly; and they have further resolved that a bonus on the profits of the company shall be paid this year of 5s. per share. These two sums, if you carry out the recommendation of the directors, will amount to £40,000, which will still leave upwards of £50,000 to be carried to the General Reserve Fund of the company; and thereafter the reserved funds will at the close of 1867 stand as follows: The reserve of premiums £111,328, and the General Reserve Fund, £250,800, making together £362,128, available to meet the general liabilities of the company, which contrasts not unfavourably with £290,000, being the figure at which these reserves stood after payment of the dividend at the close of 1866. Our business is increasing, and our premium income is increasing; but just in proportion as these increase, so increase the liabilities of the Company; and the Directors conceive that it is the duty of those who administer the affairs of the Company, to see that the reserves shall at all times keep some pace with the increased liabilities. For the future, then, it will be our duty to see that annually a large sum shall be placed to the credit of the reserved funds, so as to give increased strength and safety to the concern, before any amount shall be applied to payment of a bonus out of the profits. No doubt, it may be a question as to what amount of profit justifies the Directors in making a payment of bonus; but one thing is certain, that there are no people more interested than your Directors are in keeping up the returns from your stock, though at the same time they feel, and feel most deeply, that everything must be done to maintain the safety of the concern, as well as the credit which this Company holds in the eyes of the general public, and without which our business would soon fall very much below its present amount. It is the opinion of those who are best able to form a judgment upon the subject, that there is a great future before this Company. We have made very great progress within the last six years—more, I suppose, than any other Company in the kingdom has done in the same space of time; and even now there is every reason to suppose that the current year will show as great an increase as the last, because I find that the results of the business during the first two months of the year show a very considerable advance on the premiums drawn in the same two months in the year 1867. I firmly believe that the day is not far distant when we shall hold a very first-class position indeed among the Insurance Companies of the kingdom.

Mr. J. White Cater, Chairman of the London Board, would only refer to the question of reserves. The reserve in Insurance Companies must ever be considered as an additional capital, and, like the capital, we must hope that it may be very seldom touched, although, when you come to double, treble, and even quadruple the amount of insurance, it becomes still more necessary than ever. If, therefore, our reserve, when we amalgamated was £150,000, even now we must consider it small in proportion to our greatly increased business; and I do hope we shall see our business so increase, and shall see such a term of prosperity, that our reserve fund may be still further increased; because, if it were so increased, in place of taking £3,000 or £4,000, or £5,000 in one risk, we could double it; but, seeing that the wider risks are spread the better, we shall never double them unless it is absolutely necessary, and that we shall continue to exercise that caution which has hitherto characterized the management of the Company. We think there ought to be a prudent limit to every risk we take; and I believe we have gone as far as we intend to do in extending that limit to each risk; but at the same time, you may get a hundred risks in place of one, and therefore

you require a larger reserve to meet a large fire, should such a thing occur. It was a great fire that caused the formation of the *Mercantile Insurance Company*—that was the fire in Tooley Street, where there was an enormous amount of property destroyed, the losses being estimated at nearly four millions and a half. The *Imperial Company* paid no less than £235,000 for losses on that occasion; but they had a reserve of nearly one million and a half, and they never felt it. Their dividends never diminished; and yet the whole fire business of that Company at the present moment is less than ours. With these remarks, I second the resolution. The motion was carried by acclamation, and the retiring Directors were re-elected.

Mr. Finlay Anderson moved a vote of thanks to the Directors, and Mr. Adam Crawford seconded the motion, which was unanimously adopted.

Sir James Baird, Bart., moved a vote of thanks to the various Local Boards and Agents, and Mr. George Auldjo Jamieson, C. A., seconded the motion, which was adopted.

A vote of thanks to the chairman of the meeting brought the proceedings to a close.

LONDON AND LANCASHIRE LIFE ASSURANCE.—The annual meeting of this company took place on the 8th April, at the London Tavern, Mr. F. W. Russell, M. P., in the chair. The report of the directors gives the following results:

"The number of proposals received during the year was 626, assuring 286,150l. Of these, 475 policies were issued for 199,750l., producing a new premium income of 5,784l. The premiums on the declined and not completed cases, which form so large a proportion of the new business, would have amounted to over 2,000l. The new premiums during the five years show an annual average amount of over 8,000l. There have been nine deaths during the year, and the amount paid and provided for is 4,400l., rather less than the claims of the previous year, and much under the mortality, as shown by the tables. The accounts, as certified by the auditor, show, after payment of the above claims (4,400l.), reinsurance (4,693l.), surrender values, and all expenses, together with 5 per cent. interest to the proprietors, a balance of 10,000l., enabling the directors to add to the accumulation fund 43 per cent. of the net premiums. The total additions made to the accumulation fund equal 41 per cent. of the net premiums received since the commencement, which must be regarded as a most satisfactory feature of the company. The directors congratulate the proprietors on the progress made during the first five years. They believe the foundation of a profitable and growing business has been laid, and that during the next quinquennium it may fairly be expected that the valuable and influential branches and agencies established throughout the country will materially help in extending the business of the company."

The chairman, in moving the usual confirmatory resolution, observed that the report and statement of accounts were so full and satisfactory that they left him almost nothing to say; nevertheless he would make one or two observations on what might be called the commercial part of their business. The average sums assured by the policies was between 400l. and 500l., representing a healthy and good business, whilst the average age of the assured was about thirty-nine. He was happy to say that the funds of the company were not invested in securities of that nature that they could not be easily realized; and this, by placing the control of their finances at all times within their own hands, rendered them perfectly safe. The position of the company was most satisfactory, and reflected great credit upon Mr. Clirehugh, their able manager, and those who were associated with him in the conduct of the business. They had laid the foundation of a successful company, but they must not be disappointed if they did not at first get a large amount of business, or pay very large dividends. An insurance office depended for success upon confidence; and confidence was a work of time. They had, however, every reason to be satisfied with the amount of public confidence which they enjoyed, and which there was every reason

for believing would continue and increase. The expenses had been kept at as low a standard as was consistent with the interests of the company, and they were enabled, after making every necessary provision, to pay interest at the rate of 5 per cent., with which he trusted they would be satisfied. In conclusion, he urged upon them how much the success of any life assurance company depended upon the exertions of the shareholders themselves, and exhorted them that their own interests would be best served by using their influence amongst their friends to become policy-holders.

Mr. Mackenzie seconded the motion. He could confirm the statement of the chairman as to the safe position in which the company stood, and the satisfactory percentage (41 per cent.) which the accumulated fund bore to the total premiums received since the commencement. The report, statement of accounts, and balance-sheet were then unanimously adopted.

On the motion of the chairman, seconded by Mr. Alderman Hale, Messrs. Alderman Dakin, L. Simpson and T. Stenhouse were re-elected directors. Mr. Hopkinson was elected and Mr. Philpot was re-elected auditor.

Captain Thurnburn, R. N., moved, and Mr. W. H. Simpson seconded, a vote of thanks to the chairman and directors, which was carried unanimously; and

The chairman having acknowledged it, proposed a vote of thanks to Mr. Clirehugh, the manager, and the staff, in complimentary terms.

Mr. Alderman Dakin seconded the motion, which, having been carried,

Mr. Clirehugh, on behalf of himself, Mr. Young, the assistant secretary, and the other members of the staff, acknowledged the complement. He entirely corroborated what had been said by the chairman and Mr. Mackenzie as to the satisfactory position of the company.

MONTREAL AND CHAMPLAIN RAILWAY.—The adjourned annual general meeting of this Railway will be held at Montreal on the 27th May. The Meeting will be made special, for the purpose of submitting for the approval of the shareholders the provisions of the 7th section of "An Act to amend the Grand Trunk Arrangements Act, 1862, and for other purposes," whereby a certain agreement between the Company and the Grand Trunk is modified, and a period of five years mentioned in the said agreement, for the sale of the line and property of the Company to the Grand Trunk is extended to ten years.

MONTREAL ROLLING MILLS COMPANY.—At the general meeting of the stockholders of this company, held May 5th, Messrs. E. H. King, W. Markland Molson, Peter Redpath, E. M. Hopkins, and T. Morland were elected directors for the ensuing year.

PROVINCIAL BUILDING SOCIETY.—The annual meeting of the shareholders of this Society was held in Halifax on the fourth Wednesday of April, and, at an adjourned meeting, the audited accounts were passed, showing the institution to be in a satisfactory condition. The following officers were elected:—Messrs. Doull and Wainwright were re-elected; Messrs. Henry Lawson, Allan H. Crowe, J. R. Murray, and H. G. Laurillard, were added to the General Board. The Executive Committee appointed were W. Roche, Esq., President; C. D. Hunter, Esq., Vice-President, and E. J. Lorily, W. H. Pallister, Roger Cunningham, and Henry Lawson, Esqrs. Mr. Henry Wiswell was elected Secretary, to succeed Mr. J. H. Duvar, who retires.

Mining.

FRONTENAC LEAD MINE.—We condense from the *Kingston News* the following particulars regarding a mine which Prof. Chapman was called upon lately to inspect.

The mining property in question is lot 16 in the 9th Concession of Loughborough about 16 miles from Kingston, and lies upon the streak of land which marks the separation of two distinct geological formations. A line drawn from Rossie, in the State of New York, (opposite Brockville), where lead mining on a large scale