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117 St. Francois Xavier Street, MONTREAL.

UNITED FIRE INSURANCE COMPANY

The Annual Meeting of the Shareholders of this Company was held on April 4, in the Board room of the Palatine Insurance Company, 32 Brownstreet, Manchester, Lieutenant-Colonel BROOKIE, Huddersfield (the Chairman), presiding.

The report of the Directors for the year ending 31st December, 1891, was as follows:—The net premiums received during the year amounted to £357,426, being £91,811 more than in 1890; but this increase being largely in the early part of the year, the liabilities have proportionately run off. The losses by fire were £247,756, being an increase of £71,389, the ratio being 69 3-10ths, as compared with 66 4-10ths for 1890. The commission and working expenses ratio was 31 6-10ths. As the shareholders are probably aware, the company has an extensive business in the United States of America, where the results last year have been very unfavorable to this and most other offices concerned. A general increase of rates, where necessary, is now taking place in that country, which it is expected, will admit of a fair profit hereafter. The balance at the credit of profit and loss is £16,510, including £7,002, the surplus on the year, and the Board recommend a dividend at the rate of 15 per cent. per annum for the six months ending 31st December last. An interim dividend at the rate of 5 per cent. per annum was paid in October last for the first half of the year. The dividends for the year will accordingly average 10 per cent., the same as paid in 1890.

The CHAIRMAN, in moving the adoption of the report and account, said he was sorry that the report was less favorable than the directors had anticipated, owing to the great loss ratio on American business; but notwithstanding this the shareholders were to be congratulated on the position which the company had attained and on its future prospects. (Hear, hear) Measures were being concerted on the other side of the Atlantic for a revision of the whole system of insurance rating. This, when carried out, would make the business there he would not say very profitable, but at all events a fair average risk for the future. The total loss on the whole of the American business did not much exceed £4,000—not a very serious amount after all—and it had occurred in the East coast section entirely. Now, from accounts which were coming to hand, he was glad to report a turn of the tide, the fires reported being less frequent and less disastrous. Their experience of the past year was not solitary; it was that of all insurance companies doing business in America. Turning from the unfavorable side of the report, the shareholders might fairly congratulate themselves on the year's business. The directors recommended a dividend of 10 per cent., but that dividend had not been absolutely earned during the year. They had a reserve fund, which for the present stood at £150,000—an amount which would have to be increased if the business and liabilities went on increasing—and they were last year able to carry to profit and loss account a sum of £9,500, which was brought forward for the express purpose of equalizing dividends in adverse years. The same policy having been adopted year after year, he might now very fairly congratulate the shareholders on the fact that they were able to pay a dividend for the year 1891 equal in amount to that which had been paid in more prosperous years, and still have £6,500 to carry forward. It was, however, hoped that there would not be in another year any necessity to make such an encroachment

on the funds which had been realized. The different items in the report spoke for themselves, and he did not think it necessary to go through them, but he would be happy to answer any question that any shareholder might ask with reference to them. He would refer to one item in the balance sheet—"Cost of businesses purchased, £3,723." That was carried forward as an asset, and he believed it was a very valuable asset, because the purchases made by the Palatine—in the advantages of which the United, under existing arrangements, shared—were producing very valuable results and the sum entered in the balance sheet did not adequately represent the real value of the business which was brought forward into their account. Since the change which was made a year ago in the constitution of the United they had been able to enter into closer relations with the Palatine Company. They now issued joint policies, which were very acceptable to insurers, because in such policies the united weight of both companies was pledged for the payment of fire losses. There were also other advantages. It might be said—If the relations of the two companies are so close, why not amalgamate? The state of the law in America had been the chief obstacle in the way of their amalgamation. Efforts had not been wanting to remove that obstacle, and at the present moment correspondence was taking place, which, it was hoped, would lead to some arrangement under which the United and the Palatine would be enabled to unite and to carry on the business to the advantage of both companies, with a reduced expenditure.

Mr. C. J. GALLOWAY seconded the adoption of the report, which was carried unanimously.

On the motion of Mr. HUTCHINSON, seconded by Mr. W. L. GALLOWAY, a sum of £1,000 was voted to the directors for their services during the year. Mr. Samuel Ogden and Mr. Edward Armitage, the retiring directors, were unanimously re-elected. Mr. Edwin Guthrie was re-appointed auditor, and a resolution of thanks to the United States local board was unanimously passed. The meeting concluded with a vote of thanks to the chairman.

COMMERCIAL UNION ASSURANCE COMPANY.

Following is the directors' thirtieth annual report, with the audited accounts: Fire Department. The net premiums of 1891 amounted to \$5,126,275, being an increase of \$123,835 as compared with the year 1890, and the losses paid and outstanding to \$4,284,160, being 64 1-4 per cent. of the premium income. From the profits of this department the sum of \$200,000 has been carried to profit and loss, and after providing for outstanding losses, the fire fund stands at \$4,291,830 as against \$1,133,460 at the same time last year. Life Department.—The new business of the year consisted of 675 policies, assuring \$2,487,775, and the new premiums included in the accounts were \$85,995. A new single premium of \$15,830 was also received. The claims by death, \$495,395, somewhat exceeded the amount expected. The transactions of the year resulted in a surplus of \$417,160, and thus increased the life fund to \$6,861,135. The sixth valuation will be made at the end of 1892 with a view to ascertaining the profits for the current quinquennium. Marine Department.—The net premiums received were \$1,756,000, and the net losses paid and outstanding amounted to \$918,005. From the profits of this department the sum of \$175,000 has been carried to profit and loss, and after providing for outstanding losses the marine fund stands at \$1,310,190. Profit and Loss.—This account has been closed with a balance of \$326,160 carried forward to 1892, and out of that amount the directors recommend the payment of a dividend at \$4.37 per share free of income tax, making, with the interim dividend paid in November last, 25 per cent. for the year.

REVENUE ACCOUNTS, FROM JANUARY 1, TO DECEMBER 31, 1891.

FIRE DEPARTMENT.	
Dr.	
Amount of fire fund at the beginning of the year..	\$ 4,133,460
Premiums, after deduction of re-insurances.....	5,120,295
Interest	142,100
	\$9,395,855

Cr.	
Losses paid and outstanding after deduction of re-insurances	\$ 3,284,161
Commission and brokerage	807,265
Contributions to fire brigades.....	28,160
State charges—foreign.....	73,450
Expenses of management	704,680
Bad debts	6,295
Amount of profit and loss	200,000
Amount of fire fund at the end of the year.....	4,291,830
	\$9,395,855