

Hotel Astor, the following toasts were responded to:

Life Insurance from an Executive Standpoint. President DeBoer, of the National Life of Vermont.

Objections to Life Insurance in Days of Old. Mr. Ogden, actuary of the Mutual Benefit.

New Members. Mr. James D. Craig, of the Metropolitan Life.

Life Insurance Problems. Mr. John K. Gore for Mr. E. J. Sartelle, of the State Mutual.

A Retrospect and Forecast. Mr. R. W. Weeks, president-elect.

The attendance was the largest in the history of the Society.

COMMERCIAL UNION ASSURANCE COMPANY.

In presenting on a later page the statement of the Commercial Union Assurance Company it is desirable to draw attention to the comments made by the chairman at the annual meeting held in London on 3rd ult.

From the fact that the loss of \$800,000 by the company by the Baltimore and Toronto conflagrations had produced no serious effect upon the figures of last year he drew the conclusion that strong companies get the advantage when these disasters occur, and that to go into America and do a large fire business is a very dangerous thing for anybody who has not a long purse. As some compensation there has been a distinct steadying of rates from which he looked for better results from the fire business on this side than has been the case with some companies.

The premiums in the fire department were \$9,835,000, which is an increase of \$975,000. The fire fund has increased equally in spite of the Baltimore and Toronto fires. The loss ratio comes out at 55 per cent. of the premium income as against 48.7 in 1903, 50.3 in 1902, but it is better than in 1901, when the loss ratio was 59.5 per cent.

The necessity of largely increasing the fire fund is shown by these conflagrations, a point which the commercial Union has well observed and will continue to observe. But for those great fires the loss ratio would have been only 47½ per cent. so that the general business from a fire point of view is as sound as possible. The expense ratio has been reduced and the fire fund was increased by \$1,007,145.

The marine department, said the chairman, has surpassed itself, the fund has been increased by \$332,875, making it \$2,755,000, which equals two years' premium income.

The accident department amount to \$780,000, against \$585,000 in 1903, which is regarded as satisfactory considering the short time it has been established. As to workmen's compensation the Commercial Union will follow that business on conser-

vative lines and a satisfactory profit is anticipated. The loss ratio was 47 per cent., and expense ratio 35 per cent., which enabled \$157,500 to be added to the fund.

The balance sheet shows the total assets to be \$36,430,700.

This old, strong and progressive company transacts business all over the British Empire, also in Japan, South America, Germany and United States, so it is practically impossible for the disasters in any one field of its operations to have any serious effect upon the results of the entire business, as was illustrated by the experience of 1904 to which the chairman made reference. The Canadian interests of the Commercial Union are watched and promoted with diligence and skill by Mr. James McGregor, who, for many years, has been its highly esteemed chief manager in the Dominion.

The experience of the Commercial Union last year was more favourable than that of ten other companies. Its net cash received for premiums was \$528,214 and cash paid for losses \$559,371, the loss ratio being lower than the average of all the companies.

THE LOCAL AGENT AND THE ADJUSTMENT OF LOSSES.

The question as to how far the authority of an agent extends in the adjustment of losses has been often discussed. Decisions thereon have been delivered by Courts of law which, in general terms, may be stated to be, that, "agents cannot adjust losses in this country without having special authority for that purpose."

The adjustment of fire losses equitably between the insured property owner and the insuring company is one of the most difficult and trying duties that devolves upon the fire underwriter. The questions involved are not merely those within the province of an appraiser and accountant, but, at times, are complicated by points of law. Not only so, but consideration must be given to the character and commercial standing of the insurer. The circumstances associated with the insurance being effected and the fire which originated the claim to be adjusted need also to be investigated. Up to a certain point in the career of a property owner he may have given no cause for doubting his honour and integrity. But circumstances may have arisen which put these qualities to a strain they were unable to bear without weakening, or utter collapse. (1) A change may have occurred in the value of goods that the most experienced buyer could not reasonably be expected to anticipate. A panic, for instance, in a foreign country may have thrown a manufacturer's goods back on the market to such an extent as to paralyze his finances and destroy the value of his plant. (2) Or, by some new inven-