

perty, generally, is very small, and, under the provisions referred to, the proportion, it may be hoped, will not be greater among those Insured by your Company.

The Board has extended the business of the Company to the Counties of Huron, Perth, Lambton, Oxford, Kent, Essex, Elgin, Brant, Wellington, Waterloo and Grey ; and they are about to do the same in Norfolk, Haldimand, Welland, Wentworth, Halton, York, Simcoe, Durham, Victoria and Peterboro'. The stronger the Company the more equable will be the annual proportionate amount of losses, which is a great point to be gained in Insurance of any kind.

With a view to the extension of the business, the Board would respectfully suggest the expediency of electing Directors in those localities out of the County where the Company has been carrying on its operations. They have, for this reason, passed a resolution, increasing the number of Directors from the present number, 7, to 15, to take effect only if you approve of it. Should your decision be favorable to the increase, your Board would then suggest your electing as Directors, some qualified member of the Company in each of the Counties of Essex, Kent, Lambton, Huron, Perth, Oxford, Elgin and Waterloo. It is not likely that such Directors will attend very frequently, but if they choose they will have the right to do so, and will doubtless avail themselves of that right on any particular matter occurring. This will give confidence and satisfaction to the members of the Company in their vicinity, and will doubtless further its interests generally.

To return to the Accounts, which have been audited by Messrs. A. S. Abbott and A. G. Smyth, it will be seen by them that the money received from all sources, since your Board came into office, has been \$2,993 56, including the proceeds of a Note they got discounted at the Gore Bank, to help them on in their difficulties ; of which \$2,598 19 has been expended, \$178 in retiring the Note, \$347 06 in discharging the liabilities under the old Board, \$220 in paying losses, and \$1, 844 13 to meet the current expenses of the Company ; leaving a balance in the Treasurer's hands of \$395,37, and a further sum of \$1,026 11 due by Agents, nearly all of which is secured by Due Bills, at a short date, received from members for their Insurance, and which the Agents have deposited as collateral. These are being paid up day after day, and the whole will shortly be liquidated, so that they may fairly be regarded as Cash.

The salary of the Secretary has been continued at what it was under the old Board, viz., fifty cents for each Policy issued, for which he pays the hire of clerks, and for all the work done in the office, and will receive nothing further during the three years the Policy remains in force. It is at the rate of 16 $\frac{2}{3}$ cents per