mined to ascertain the amount that each Member had contributed towards the surplus, with interest, and divide the profits declared in a similar proportion. That the system upon which the division was made last year, if extended any further, would be erroneous, will be best shown by an assumed case :—A party originally assured at 30 for £1000, will, in the tenth year, receive a dividend upon £24 12s. 6d., while another of the same age, but only just entered, will receive the same rate of dividend upon £33 1s. 8d.—a want of equity so glaring, as to surprise him that the American Companies which had generally adopted the system had not as yet discovered it. He was pleased to be able to assure the Members, that the system now adopted had the sanction of the highest authority on the science of Life Assurance.

He alluded to the suggestions in the Report respecting the admission of Assurers on different systems to share in the Profits, and expressed a hope that it would shortly be sanctioned by the Board, as no difficulty now intervened, and there was a growing desire on the part of the public to participate in the yearly dividend.

In regard to the proposition to reduce the Participation rates, he explained that they had been purposely calculated upon the same scale as the majority of British Offices, but with the intention of making a reduction before long. The amount proposed was about 10 to 12½ per cent. It had been remarked that many persons judged of the relative merits of this and other Companies, by the amount of premiums they were called on to pay, making no allowance for the certainty of an increased return, which would reduce the actual cost. The Board being well assured that a reduction might be prudently made, had had under consideration whether it would not be expedient to diminish the original cost of Assurance. It must, however, be remembered, that any such reduction, forming as it will an Immediate bonus, must necessarily leave less to be received as a Reversionary bonus. Should the Premiums be reduced 10 per cent., it will at once enable a person for the same outlay to secure £1100 in place of £1000. As all existing policies will share in the reduction of rates, it will proportionately diminish the income of the Company.

During the past year, the amount of money lodged with the Company for accumulation has increased ; and as the terms which