

the expectations of the Directors, and justified their action in providing at these central points banking facilities for the surrounding country. An application has been recently made by the leading business men of Richmond for similar privileges, and after careful investigation, and an experiment made as a test, under the kind assistance and administration of one of the Directors (resident in Richmond) the request has been acceded to, and as soon as proper arrangements can be made the branch will be opened.

From the balance of Profit, as exhibited in the profit and loss statement, \$111,985.81, the directors have at their meeting on Saturday last, the 31st May, declared the usual dividend of four per cent. on the paid up capital stock for the half year, and have added \$70,000 to the Reserve Fund, which leaves an ample allowance for the usual charges and salaries, and a balance carried forward exceeding \$4000.

The Reserve Fund with this addition stands at \$185,000 or somewhat less than 25 per cent. of the present authorized capital. Should the capital be increased to one million dollars it will only require \$15,000 additional to bring the reserve fund to the limit (20 per cent. of the capital) under which no bank is permitted by the Banking Act to pay more than 8 per cent. dividend.

Under these circumstances the directors feel that they have good ground for congratulating the shareholders on the result of their 14 years experience in banking, the more especially when all the circumstances attending the first starting and early working of the bank are remembered.

On the question of placing the new stock, the Directors would recommend that it should be offered to the present shareholders on the same terms as the last issue, viz., at par to those shareholders accepting the stock, and subject to a charge of 5 per cent. if sold in the open market; any amount over the charge of 5 per cent. being divided amongst those shareholders not taking the new stock pro rata of their holding. The directors have come to this conclusion after a full consideration of all the circumstances of the case, although this plan is a deviation from that adopted by most of the banks of the country, which charge a premium on all new issues, but in so doing they are to some extent governed by the great satisfaction expressed by the shareholders on former occasions when this course was taken.

In conclusion the Directors desire to express their approval of the zeal and assiduity of the cashier and other bank officers.

Profit Statement Year ending May 15, 1873.

Balance of Profit, 23rd May, 1872.. \$67,295.83
Add earnings for past year, and amount received on account of doubtful debts previously written off, deducting cost of management of business

134,949.96

202,245.79
Deduct amount carried to Reserve Fund last year.. \$40,000.00
Vote to President..... 1,000.00
Dividends Nos. 25 and 26 paid in July and Jan. last 49,259.98

90,259.98

Balance..... \$111,985.81

The whole respectfully submitted.

CHARLES BROOKS,
Vice-President.

General Statement of Business, May 15, 1873.—Liabilities.

Capital paid in..... \$742,406 00
Reserve Fund..... 115,000 00
Profit Balance..... 111,985 81

969,391 81

E. T. Bank Bills in circulation	516,102 00
Government Deposits, payable on demand..	41,139 90
Government Deposits, payable after notice..	83,923 00
Other Deposits payable on demand.....	292,046 46
Other Deposits payable after notice	205,522 51
Due to other banks....	21,730 29
	1,150,464 16
	\$2,119,855 97

Resources.

Coin	\$51,817 12
Dominion Notes	48,535 00
Bills and Cheques on other banks	23,398 77
Due from other banks..	265,849 81
	389,600 70
Bank Premises.....	11,220 00
Loans to Corporations..	62,415 66
Notes and Bills current..	1,612,403 91
" " overdue.	24,328 70
" " overdue secured by mortgages.	3,689 00
Other assets.....	16,198 00
	1,720,255 27
	\$2,119,855 97

WM. FARWELL, JR.,
Cashier.

On motion, the Report of the Directors, as submitted, was received and adopted, and ordered to be printed for distribution to shareholders.

The question of the further increase of the capital stock to \$1,000,000 was then taken up and on motion of T. S. Morey, Esq., seconded by C. A. Bailey, Esq., it was unanimously *Resolved*—That the Capital Stock of the Eastern Townships Bank shall be and is hereby increased in one amount, in the sum of two hundred and fifty thousand dollars, current money of Canada making the authorized Capital Stock of said Bank One Million Dollars, and the said increase of two hundred and fifty thousand dollars, now made to said Capital Stock, shall be paid in by instalments of ten per centum upon calls to be made, pursuant to Resolutions of Board of Directors, under the provisions of section 34 of the "Act relating to Banks and Banking."

On motion of C. A. Bailey, Esq., seconded by E. T. Brooks, Esq., the thanks of the shareholders were tendered to the President and Directors for their attention to the interests of the bank for the past year, and the sum of one thousand dollars was voted the President for his services.

On motion of L. E. Morris, Esq., seconded by J. B. Paddon, Esq., the thanks of the shareholders were tendered to the Cashier, Managers and other officers, for their efficient services during the past year.

The meeting then proceeded to ballot for Directors. after which the scrutineers reported the following Shareholders elected, being the old Board, viz., Benjamin Pomroy, Charles Brooks, R. W. Heneker, Hon. J. H. Pope, A. A. Adams, G. K. Foster, E. O. Brigham and G. G. Stevens.

There being no further business before the meeting, Charles Brooks, Esq., was requested to take the chair, when the thanks of the meeting were tendered Hon. Judge Sanborn for his able conduct as chairman.

WM. FARWELL, JR.,
Secretary.

—The feature of the annual reports of English life offices this year is the almost universal confession that the mortality experienced is in excess of the estimates.

Correspondence.

NEW YORK CORRESPONDENCE.

(From a Special Correspondent.)

New York, May 30, 1873.

FIRE INSURANCE.

You are of course aware that the National Board of Fire Underwriters held its usual annual meeting, at which the President's annual report was read, and the election of officers for the year was had. All this has ceased to be "news," and I shall therefore pass it over. Since that time the New York Board of Fire Underwriters held their annual meeting on the 19th ult., and elected their officers for the year as follows:—President, Rudolph Garrigue; Vice-President, Edgar W. Crowell; and Secretaries, W. W. Henshaw and John M. Tompkins. The usual committees were also appointed on Finance, Fire Patrol, Legislation, Rates and Surveys, and Police and Fires. So far the National and New York Boards are in full working order, but the objects which they propose to achieve do not seem so easy of accomplishment. In the needed advance of rates the public only see a powerful combination against the business and manufacturing interests, and a degree of hostility is more or less felt towards Board Companies, which re-acts favorably to the companies not in the combination. Of these there are about a dozen, but it is well known that the apparently loyal companies are not wholly free from the charge of departing *sub rosa* from the Board Tariff.

I have recently had an opportunity of looking over the books of a prominent outside company and in the record of net premiums of those companies contributing their per centage to the support of the Fire Patrol. I was shown that the adherence of this company to board rates and regulations in 1868 and '69 cost in six months a loss or falling off on city risks of *fifty per cent.* of its premiums, while a loudly professing board company had actually increased its business in the same time in a corresponding ratio by *privately cutting rates*, while publicly professing fealty to the Chicago Compact. This discovery made the president of the former company cut clear from the Board and make rates for his company ever since, and a rather remarkable fact is that he came out of Chicago and Boston well burned but sound at the core. Meantime the companies not bound by either the National or New York Boards are adhering fully when necessary to the lately revised tariff, the dividing question being, in point of fact, not so much the difference in rating or classification as in the question of allowing rebate to the insured. To this they object on principle, as it leads to the impression that the companies should reduce their rates by so much, and not give an advantage to those who have the leisure and opportunity of bringing their risks to the offices without the aid of brokers or agents.

An imbroglio has just occurred here, in which the New York Board has got into a dispute with some of the city companies arising from a breach of covenant made between it and the Board of Insurance Brokers that they should only do business with Board Companies. This has led to a contemplated expulsion of certain companies by the Board of Underwriters, but one company—the Metropolitan—cannot "see" it exactly and has sued out an injunction in the Supreme Court restraining the Board from expelling the said company. To the public this is of little consequence, as the Board and the brokers may quarrel as long as they wish, provided the community gets what it wants, viz: insurance at fair rates.

An amusing feature of this interesting (?) family jar is that a decree of expulsion has been fulminated against three companies, viz., the