

ness showed a particularly satisfactory record. The net fire premium income amounted to \$1,000,069 an increase of over \$150,000 on the preceding year, and net losses incurred were \$455,690, giving the favorable loss ratio of 45.56 per cent. which is an improvement even on the satisfactory experience of 1913, when the loss ratio was 46.66 per cent. The Commercial Union enjoys in Canada the same high prestige and magnificent reputation that it holds throughout the world.

### THE I. O. F.'S. POLICY LIENS.

The *Bulletin* of Toronto replies to our statement that the figures given in its Assessment Life Insurance Chart of the I. O. F.'s net assets as at December 31, 1913, and December 31, 1914 are seriously misleading by a long large-type editorial contending that the liens on policies and interest on liens, so long as they are not in excess of the reserve maintained in respect of the same certificates respectively are treated as admitted assets in the valuation exhibit filed in the insurance department of each of the states in the United States in which the Society does business. Further it contends, the Dominion Insurance Department took the view that at December 31, 1914, the Society was not called upon to maintain the reserve above mentioned, and that consequently the assets of the liens and interest within the reserve that would otherwise have been admitted, were omitted from the assets' side of the statement. It claims also that the Dominion Insurance Department will, in future annual statements, include as a liability the reserve referred to, and as an asset, the policy liens, loans and interest thereon, this as a result of the recent amendment to the Society's Act making the maintenance of the reserve obligatory upon the Society.

To which lengthy argument, which we have put as briefly as possible, we reply:—

1. The *Bulletin* evades the real point of our complaint which was of "an independent publication, which claims to present authentic figures, putting forward figures that *without explanation*, are seriously misleading."

2. In the *Bulletin* chart there is not the slightest indication that nearly 50 p.c. of the I. O. F.'s net assets, as there stated, consist only of these policy liens.

3. On page 138 of the June issue of the *Bulletin* there is published the valuation balance sheet of the I. O. F. as at December 31, 1914. The assets' side is headed:—"Assets—Actual and Contingent."

4. Why didn't the *Bulletin* in its chart explain that nearly 50 per cent. of the I. O. F.'s net assets are merely *contingent* assets?

5. Does the *Bulletin* seriously contend that to publish its figures without this explanation is not "seriously misleading?"

Our Toronto confrere might look at the newly published Connecticut report for 1914. It will find—if it looks hard enough—that the Connecticut insurance authorities make no mention (except in the case of claims reported) of these policy liens on interest upon them as assets. The I. O. F. total admitted assets as allowed by the Connecticut department are \$23,758,554.56, which is slightly different from over \$43,000,000—*pace* the I. O. F.'s advertisements. By the way, these advertisements also say nothing about *contingent* assets.

We leave the whole matter at that.

### METROPOLITAN LIFE'S PRESIDENT.

On June 11, President John R. Hegeman of the Metropolitan Life of New York, rounded out forty-five years as an officer of the Metropolitan.

The bare chronological record of the President's connection with the Company is this:

June 11, 1870, elected Secretary.

June 13, two days later, elected Director and Vice-President *pro tem*.

October 25, 1870, elected Vice-President.

October 7, 1891, elected President.

The extraordinary development of the business of the Metropolitan to which President Hegeman by indomitable energy and executive ability has himself largely contributed, may be seen from the following:

One of the duties which the new Secretary had in 1870 was to prepare the annual report of the Company to be filed with the Insurance Department.

His first report, showing business December 31, 1870, gave the total assets of the Company as \$833,914.19; in 1914 the assets were \$496,862,770. In other words, more than 595 times as great.

The Company's cash income in 1870 was \$327,740.24; in 1914 it was \$127,997,891, or more than 390 times as great.

The number of policies in force at the end of 1870 was 9,331; at the end of 1914 it was 14,843,108, or more than 1,590 times as great.

The claims paid in 1870 amounted to \$63,293; in 1914 they were \$33,751,797, or more than 532 times as much.

The number of policies issued during 1870 was 9,113, or a little more than 30 per day, counting 300 working days in the year; in 1914, 8,040 were issued every working day, or 268 times as many.

Of course, Industrial business had not begun, and the policies then issued were all Ordinary.

But, comparing the Ordinary then and now: against 9,113 issued in 1870, the Company issued and revived 246,728 Ordinary policies in 1914.

Insurance men all over the continent take off their hats to President Hegeman, and wish him many years yet in the Presidential chair of the Metropolitan.

### FIRE SCHEDULE FOR DWELLINGS, ETC.

Rating experts of the American fire insurance companies are working on an analytic schedule for dwellings, private boarding houses, tenements and apartment houses, with their outbuildings. At present dwellings usually are rated flat. The new method would differentiate more effectively between the superior and inferior risks and those which are subjected to varying degrees of exterior hazard. After several experiments, covering two years, a schedule was formulated and sent to all the rating organizations of the country for a test. Requests were made for criticisms and suggestions. The new schedule provides seven grades of protection for dwellings, while at present they are graded in most sections as either protected or unprotected. The change in method offers inducements for city authorities to improve the protection in dwelling sections and thus obtain lower rates. It also provides for differentiating between buildings and their contents, heretofore done in only a few cities. It makes a higher rate on barns, sheds and outbuildings than on the dwelling with which they are connected.