

been intrusted to them." "Any other rule," added the United States' judge, "would make it practically impossible to obtain as directors men in whom the community would have confidence; they must carefully and cautiously perform their duty in selecting and appointing the officers of the bank, and when that is done they have the right, under the law, to rely upon them for the proper discharge of their duties; and until circumstances arise and come to their knowledge indicating that those officers are not acting honestly they have a right to trust them." That would appear to be the crucial point; and if directors shut their eyes after they become aware that their officer is not acting properly, they assume the responsibility of his wrongful acts, which then, in fact, become theirs.

THE MUTUAL RESERVE FUND.

We have on several previous occasions commented on the assessment principle of so-called insurance, and have more than once demonstrated the utter failure which the Mutual Reserve Fund Association of New York must experience in attempting to give protection to insurers upon the lines which it had adopted. It is, therefore, not at all surprising to witness the difficulties met with by the Association in its endeavors to keep alive. Even with renewed efforts—taking out a license to do business in England, and in additional States of the Union—it has been enabled to increase the business in force last year by only some four per cent. In 1887 the business done was nearly \$22,000,000 less than in the previous year. Surely this is sufficient evidence that the system of insurance as offered by the Mutual Reserve is rapidly losing ground. We observe that the attempt is still made to cater for popularity on the strength of the volume of insurance effected. But the Association does not point out to the public that the larger the business the more marked will be the increase in mortuary calls. Statistics of the average mortuary assessments during the first three years of the Association's existence, *i. e.*, 1881, 1882, 1883,—show them to be on a certificate of \$10,000—at age of 35, \$45.50; age 40, \$52.80; age 45, \$60.10, and age 50 \$73.30, whereas last year, the mortuary calls were as follows: at age 35, \$108.50; age 40, \$126.00; age 45, \$143.50; and age 50, \$175.00.

This is largely in excess of the H. M. table (Canadian), the American Experience and the average mortality of the Canada Life which are as follows, viz:—

Age.	Mutual Reserve.	H. M. Table.	American Experience.	Canada Life.
35	\$108.50	\$ 87.80	\$ 89.50	\$ 56.00
40	126.00	101.80	97.90	65.80
45	143.50	121.20	111.60	77.80
50	175.00	160.80	137.70	101.80

This association pretends to say that it will not exceed nine assessments in all. It has now succeeded in making 8½ for 1887. It would certainly be very interesting to know how its managers purpose acting when they have completely exhausted the so-called reserve. What then?

Before us lies a canvasser's slip, on the authorized "form 171," which represents a party aged 39 as follows:—

Annual dues, \$2.00 on each \$1,000..	\$20.00
Assessments, say 6 per year, at \$14 each	84 00

Total cost

But his actual experience already is that he has to pay \$30 for dues, and 8½ assessments run that up \$122.50 more, making \$152 where

he was led to expect only \$104. He is by no means "intoxicated with pleasure" at the "glowing reports" which from time to time appear at 20 cents per line in the daily prints

ANSWERS TO ENQUIRERS.

A. B. W., Pittsburg, Pa., cuts out and encloses to us a paragraph which appeared in this journal on February 3rd instant, to the following effect:—

"A despatch from Medicine Hat, N. W. T., states that on Monday last Wm. Gobbett commenced ploughing; the snow is all gone and the thermometer sixty degrees above zero."

And adds, "how do you come to insert such stuff in a journal of facts and figures such as the MONETARY TIMES?" We would refer our subscriber to the following more extended notice of the same circumstance, which we cut from a Winnipeg daily. It is strange but apparently true:—"Medicine Hat, N. W. T., Feb. 2.—As telegraphed, Messrs. Gobbett and Sons have commenced plowing and plowing will be general around here in a day or two. The snow has all left the prairie and very little is left in the coulees. The weather is remarkably fine and the thermometer in the sixties. There has been absolutely no loss in cattle or sheep this season, and as a consequence ranchers are jubilant. Eastern people will find the above very difficult to believe, but nevertheless every word is vouched for and contradiction is defied. The Saskatchewan river will break up very soon, as torrents are coming down from the hills and mountains."

J. K., ARTHUR, asks: "Accepting of a tenant paying three months' rent in advance, without lease, how long notice is required by the landlord to quit? After 30 days' notice could rent be doubled if tenant does not give up possession?" We reply: If the tenant had leased for three months only, paying rent in advance, his lease would determine with the expiry of the three months, and he would, after notice to quit and deliver up possession, received 30 days previously, be liable, under 4 Geo. ii c., 28, to pay for the time he detained the lands double their value. But if the tenant had for a long time been paying rent quarterly in advance, he would thereby have become a tenant from year to year, and would be entitled to six months' notice to quit.

INSURANCE NOTES.

Nothing better of the kind, probably, was ever done than the compilation and distribution, by the Mutual Life Co. of New York, (gratuitously to its policy holders) of two handy books called respectively "Plain Directions for Accidents, Emergencies and Poisons" and "Care of the Sick." Why cannot some of our Canadian companies emulate so good and practical an example?

Running fires cost the London Mutual company \$4,048 last year, lightning, over \$10,000; incendiary losses are placed at \$13,622 and they were 37 in number. Nine fires from steam threshers, causing \$8,377 loss, should make the members cautious about such machines. The \$64 extra received last year and \$105 the year before for steam-threshers' licences, seems slender when compared with the loss by them. Tramps are blamed for causing \$2,615 loss by four fires. Defective chimneys and fire-places caused \$8,386 loss, while stoves and stovepipes are charged with the loss of \$9,660, in 32 cases. The unknown causes fires destroying \$29,046 worth of property are put down, and these are con-

ceded to be as a rule purely accidental. But to "sparks and burning embers alighting on roofs from chimneys, &c." is attributed \$9,696 loss by 42 fires. Surely this is a serious item, and the suggestion of the company's inspector is timely that shingles laid on mortar should be used to prevent burnings from this cause; or a coat of paint, preferably fire-proof paint, paint, is recommended.

Having approved of the plans submitted by its Canadian manager, the Imperial Fire Insurance Company has given instructions to Mr. Rintoul to commence the erection of a new building in Montreal. It will be built on the present site of the Canadian Pacific offices in Place d'Armes Square and will cost about \$150,000.

The second annual meeting of the Life Insurance Association of New York will be held in that city at the Hotel Brunswick, on Tuesday, the 21st inst. It is expected that many distinguished guests will be present. The annual dinner takes place immediately after the meeting.

The year 1887 was indeed a banner twelve months among the life insurance companies of this country. The new insurances written amounted to over \$400,000,000; while more than \$70,000,000 were returned to policy-holders and their heirs. At the close of the year there were about 820,000 policies in force, insuring something like \$2,100,000,000. Notwithstanding the size of the above figures, many prominent life underwriters are of the opinion that the new business of 1888 will show a material increase.—*United States Review.*

A remarkable incident, illustrating the uncertainty of life, was furnished this week in the office of the United Life and Accident Insurance Association. An apparently strong and healthy young man of forty-eight years made application for a policy covering \$10,000, the necessary papers were quickly completed and the intending insurant was handed over to the company's medical examiner. Before the doctor could commence his examination the man suddenly arose to his feet and fell to the floor dead. It was a case of apoplexy, but the deceased would, in the opinion of the doctor, doubtless have passed had not death intervened.

A letter of the Episcopal Bishop of Iowa has been published, teaching the following doctrine, with which every reader must agree: "From a moral standpoint, it is certainly a duty every man owes to his family, no matter what his circumstances may be, to insure his life in some trustworthy company (not a co-operative makeshift) for as large an amount as he can afford."

FIRE AND LIFE.—"Papa," said a ten-year older who was picking her way through a daily paper, "I see that the premiums in Dr. —'s church are over a hundred dollars. Why do they charge more than you pay?" "Because, dear, they are insuring for the next life, and that congregation is composed of very bad risks."—*Weekly.*

The following is given by the *Bulletin Medical* as the death rate of thirty great cities, excluding London, viz.:—"Brussels, 15 per 1,000; Amsterdam, the Hague, and Philadelphia, 16; Stockholm and Baltimore, 17; Dresden, 18; Vienna and Turin, 19; Berlin, New York, and Brooklyn, 20; Paris, 21; Christiana, 22; St. Petersburg, 23; Venice, 24; Buda-Pest, Bombay, and Calcutta, 25; Rotterdam, Breslau, and Prague, 26; Munich, 27; Hamburg, 29; Trieste, 30; Copenhagen, 31; Alexandria, 35; Rome, 37; Madras, 43; and Cairo, 51.