

The Mutual Life of Canada

THIRTY-SECOND ANNUAL MEETING.

The 32nd annual meeting of this popular and prosperous life company took place at its Head Office, Waterloo, Ont., on Thursday, March 6, 1902, at 1 p.m. The Company's spacious Board room was well filled with policyholders, who evinced deep interest in the proceedings, which were throughout both harmonious and instructive.

The President having taken the chair, Mr. W. H. Riddell, Secretary of the Company, acted as Secretary of the meeting, and at the request of the President, read the

DIRECTORS' REPORT.

Your Directors submit for your consideration and approval their report, with financial statement for the year ending Dec. 31, 1901.

NEW BUSINESS.—They are pleased to inform you that the business of the year in all respects has been of the most satisfactory character, enabling them to make the same liberal distribution of surplus to policyholders as in the past. The volume and character of new business were all that could be desired; the death rate was much below the expectation, and the lapses and surrenders, in proportion to business in force, very moderate. Amount of applications for new assurance received was \$4,403,000; accepted and policies issued \$4,071,660, all of which with the exception of \$36,500 was secured in Canada.

CANADA FIRST.—The Board of Directors have not seen any reason why they should depart from the rule hitherto followed, of confining their operations to our own country and Newfoundland.

INSURANCE IN FORCE.—The number of policies in force was 21,785, assuring \$31,718,031, the reserve on which,

based on our own standard, Actuaries, 4 per cent., on all business previous to 1900, and Hm. 3 1-2 per cent. on all business taken since then, is \$5,301,100.41.

ASSETS AND INCOME.—The cash assets are \$5,430,541.65, and the total assets, \$5,757,822.17. The surplus on Government standard, over all liabilities, is \$605,470.00; on the Company's standard, \$379,970.53. The net premium income was \$938,619.05; interest and rent, \$255,817.02; annuity premiums, \$23,250; total income, \$1,277,686.08.

PAID TO POLICYHOLDERS.—The amount paid to policyholders was \$493,532.45, of which sum \$305,021.95 was paid to living policyholders. The Death Claims paid were \$188,510.50; Matured Endowments, \$163,480; Purchased Policies, \$52,523.37; Surplus, \$82,255.51; Annuities, \$6,763.07.

INVESTMENTS.—During the year, the demand for money has been active, and the funds of the Company have been fully employed. The rate of interest has been good, and payments on both instalments and interest have been promptly met, the interest overdue being much less than in any former year. The manager, officers and staff continue to discharge their duties to the entire satisfaction of the Board, and in the best interests of the Company. The Executive Committee have carefully examined all the Securities, and compared them with the entries in the ledger, and found them to correspond therewith. You will be called upon to elect four Directors in place of Rt. Hon. Sir Wilfrid Laurier, Alired Hoskin, K.C., E. P. Clement and Hon. J. T. Garrow, whose term has expired, all of whom are eligible for re-election.

ROBERT MELVIN, President.

Waterloo, March 6, 1902.

ABSTRACT OF ACCOUNTS FOR 1901.

INCOME.	
Premiums, Net.....	\$ 908,619 06
Interest, Rent and Annuities.....	279,067 02
Total.....	\$1,277,686 08
DISBURSEMENTS.	
Death claims, Endowments, Profits, etc.....	\$493,532 45
All other Payments.....	215,076 94
Total.....	\$ 709,209 39
ASSETS.	
Loans on First Mortgages and Bonds.....	\$2,650,566 61
Municipal Debentures and Bonds.....	2,012,449 03
Loans on Company's Policies.....	643,361 93

Real Estate, including Company's Office.....	123,729 01
Cash in hand and in Banks.....	14,312 25
Other Assets.....	313,403 34
Total.....	\$5,757,822 17

LIABILITIES.	
Reserve 4 and 3½ per cent.....	\$5,301,100.41
All other Liabilities.....	76,751.23
Total.....	\$5,377,851 64

SURPLUS.	
On the Company's Standard, 4 and 3 1-2 per cent.....	\$ 379,970 53
On the Government's Standard, 4 1-2 and 3 1-2 per cent.....	605,470 00

PRESIDENT'S ADDRESS.

In moving the adoption of the Report, Mr. Melvin said: Allow me to express to you the very great pleasure it gives me to meet you again, and to be able to place before you for your consideration a statement of the last year's business which is so eminently satisfactory in every respect; for whilst the new business was a little less than last year, it was quite up to our expectations, and beyond the amount, I believe, issued by the majority of other Canadian Companies in Canada. The statement shows steady progress in all that denotes strength and stability, while the ratio of expense to income was the lowest in our history, viz., 16.88 per cent., or 3.57 per cent. less than the previous year. We added to our insurance in 1901 \$2,199,605, and during the past five years the large amount of \$11,716,560, considerably over one-third of the total amount in force, a very gratifying increase indeed, which says much for the quality of the business done by our agency staff, for which they will please accept the hearty thanks of the Directors. During the year we paid to policyholders in surplus the sum of

\$82,255.51, and during the past five years the large amount of \$386,527.64. During the same period we increased the surplus on hand from \$231,417.05 to \$379,970.53. This surplus is ascertained on the Combined Experience 4 per cent. Table for business in force previous to 1900 and Hm. 3 1-2 per cent. Table on all new business since then. If we were to base our reserve on the present standard allowed by the Government, viz., Hm. 4 1-2 per cent. on old business, a standard that some Companies still use, the Surplus would be \$605,470. The mortality for the year amounted to \$208,471, being much below the expectation, and \$6,487.00 less than the previous year, notwithstanding the increased business in force. The interest and rents from our investments exceeded the amount paid for claims in 1901 by \$67,397.00, and in the past five years by the large sum of \$185,609.16. For this we are, no doubt, indebted in a large measure to Dr. Webb, our Medical Director, who has always been most careful in his selection of risks, and also to our medical examiners. The large sum of \$305,021.95