



# Insurance and Finance

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### THE Insurance and Finance Chronicle.

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AND NOW THE famous "Order of Tonti" of Philadelphia, built after the pattern of the Iron Hall, is the subject of attention by the courts. A receiver has been applied for and an injunction restraining the concern from further collection of money granted. This is one of the seven-year orders, and on January 1st last reported gross assets amounting to \$1,150,168, with endowment certificates outstanding of \$18,536,200. It is estimated that the certificates maturing this year will exceed the available resources, and of course the bulk of the eighteen millions of total certificates stand no chance of payment at all. With the Iron Hall in the receiver's hands and the "supreme" officers all under indictment by the grand jury at Indianapolis, with the Order of Tonti as good as dead, and with the majority of all the lesser brood of endowment humbugs in process of winding up everywhere, the collapse of these deceptive swindles is nearly perfect. We may not flatter ourselves, however, that confidence games in the stolen name of insurance will disappear with the last of these thieving bands. The class of swindling adventurers is still numerous, and the stock of gullible fools practically inexhaustible. Some other form of cheating which will be but a claw of the same old cat, will soon be in vogue for honest men to watch.

THE SEMI-ANNUAL MEETING of the Actuarial Society of America, as noted in our last issue, was held in Boston on the 13 and 14 ults., with a fairly good attendance of representative members. Papers were read by Mr. D. H. Wells, actuary of the Connecticut Mutual Life, on the "Application of the Contribution Plan to the Distribution of Surplus"; by Mr. W. S. Nichols, of the *Insurance Monitor*, on "Mathematical Principles involved in a Mortality by Lives or Amounts;" and by

Mr. J. H. Sprague, actuary of the insurance department of Connecticut, on the "Proper Basis for Surrender Charges." The following papers, read at the April meeting, were discussed: "The Distribution of Incidental Surplus," prepared by Walter C. Wright; "Percentage Formula for Obtaining Return Premium Rates," by S. E. Stilwell; and "Distribution of Expenses," by Wm. D. Whiting, read at the October meeting 1891. Messrs. Whiting, Wells, McClintock and Harvey led in these discussions. Among the social features of the occasion was the drive about the suburbs in the afternoon and a dinner in the evening on Thursday, given by the officials of the John Hancock Life insurance company, and a breakfast on Friday morning at the Algonquin Club, by the Boston Life Underwriters' Association.

A SOMEWHAT INTERESTING discussion, of a triangular kind, has been going on between the *United States Review* of Philadelphia, the *Insurance Herald* of Louisville, and the *Vindicator* of New Orleans, with reference to the undesirable nature of life insurance risks in the Southern States because of the higher rate of mortality alleged by the *Review*. The *Chronicle* of New York, meantime, quietly furnishes some statistical conundrums bearing more or less on the question. The *Herald* and *Vindicator* stoutly contend, that while the conclusions of the *Review*, based mainly upon results previous to and for six or eight years after the war, may be in the main correct, the situation during the past few years has vastly improved, and that Southern rate average up favorably with the rest of the United States. All the principal companies now operate extensively in nearly all parts of the South, and are supposed to know pretty well what they are doing. We take the facts to be that, excepting the southern portion of the Gulf States and most of Florida, the mortality liability among the white population of the South is not materially above the general average. Some definite, modern statistics, however, are needed to settle the question.

OUR LIVELY CONTEMPORARY, the *Insurance Reformer*, is a good deal disturbed because the *Insurance Sun* not long since reprinted our article, "Are Old-Line Premiums Excessive?" and which appeared in our issue for June 15. After some gratuitous guessing as to